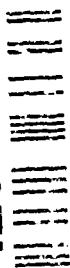
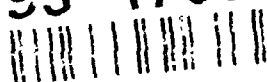


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Comptroller General
of the United States

B-239260

January 23, 1991

The President of the Senate and the
Speaker of the House of Representatives

This report is one of a series containing the results of GAO's management reviews of major departments and agencies. It discusses how inconsistent leadership and weak management systems at the Immigration and Naturalization Service (INS) have allowed serious longstanding management problems to go unresolved.

We are sending copies of this report to the Attorney General; the Commissioner of INS; the Director, Office of Management and Budget; and other interested parties.

This report was done under the direction of J. William Gadsby, Director, Federal Management Issues. Other major contributors are listed in appendix VI.

Charles A. Bowsher

Charles A. Bowsher
Comptroller General
of the United States

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Executive Summary

Purpose

The Immigration and Naturalization Service (INS) Commissioner faces many challenges. The role of trying to enforce laws that are intended to prevent the annual illegal entry of millions of poverty-stricken, often repressed people naturally drawn to a richer, freer, and accessible United States is inherently difficult. In addition, INS is responsible for facilitating the legal entry of immigrants by processing millions of requests for services related to citizenship and asylum and inspecting hundreds of millions of people at ports of entry. Balancing these enforcement and service roles would be difficult under any circumstances, but INS' task is compounded by a lack of consensus by both Congress and the American people on immigration policy and its enforcement.

To identify ways to improve the overall performance of this important agency, GAO focused on the fundamentals within INS—the systems, people, processes, and structures required to manage. GAO's aim was to spotlight the difficulties INS faces in fulfilling its diverse mission and to identify ways in which INS can better manage given today's resource constraints and the environment in which INS must operate. In addition to this report, GAO is issuing separate reports on INS' financial and information management.

Background

INS evolved from a basic structure that began in the 1860s. From the very beginning, immigration and naturalization programs have been controversial and subject to numerous shifts in focus and organization. World events increased immigration to the United States, changed immigration policy, and resulted in INS being moved from department to department within the government. Along with these changes came increased criticism.

Historically, Members of Congress and Justice officials have questioned INS enforcement of immigration policy and the administration of services. Within the agency, these two functions have been constantly in competition for resources. Currently, despite large increases in resources, INS management remains the subject of criticism. Resources have grown from \$575 million in 1986 to \$1.1 billion in 1990. In addition, Congress increased INS' responsibilities with the passage of the Immigration Reform and Control Act (IRCA) of 1986 and the Anti-Drug Abuse Acts of 1986 and 1988.

INS has two main units to fulfill its responsibilities. The enforcement side is responsible for preventing unlawful entry, employment, or receipt of

benefits by those who are not entitled to them and apprehending, detaining, and/or deporting those aliens who enter or remain illegally in the United States. The service side is responsible for facilitating the entry of persons legally admissible as visitors or as immigrants to the United States and granting benefits, including providing assistance, to those seeking permanent resident status or naturalization.

Results in Brief

INS needs strong leadership to balance the demanding roles of enforcement and service. Managing such competing functions means making hard decisions regarding resource allocation to ensure the most effective operations of the agency. Over the past decade weak management systems and inconsistent leadership have allowed serious problems to go unresolved. As a result, the agency has degenerated into a group of segmented autonomous programs, each trying to handle its own set of problems with little attention given to their interrelatedness. Without coherent overall direction and basic management reforms, the organization has been unable to effectively address changing enforcement responsibilities and longstanding service delivery problems.

Compounding this lack of overall direction is a chaotic budget development process that has produced budgets that are simply compilations of program submissions with little accountability for funds or attention to agencywide priorities. The current INS organizational structure, marked by complicated lines of authority and communication, adds to and perpetuates the agency's segmented management. Although the problems facing INS did not occur overnight, INS needs to take a number of immediate actions to improve program operations both in enforcement and service. In the long term, Justice and INS must articulate a vision of how INS is to operate to effectively carry out its role of implementing the Nation's immigration policy.

Principal Findings

Leadership Needed to Address Enforcement Problems

As INS has been faced with new enforcement responsibilities, INS leadership has not clearly delineated activities among the various enforcement programs and has not determined the skills needed to carry out these activities. As a result, responsibilities among separate INS enforcement

programs have increasingly overlapped, programs have been implemented inconsistently, and enforcement personnel have not been used effectively.

For example, the Border Patrol has become increasingly involved in investigations, going so far as to establish several interior Border Patrol stations mainly for this purpose. The Border Patrol now has stations in such places as Grand Rapids, Michigan, and Roseburg, Oregon, far from the border. This not only has reduced the time devoted to the Patrol's primary mission of controlling the Nation's border but has also increased the overlap of the Patrol's activities with those of the Investigations Division. (See pp. 33-35.)

Three-fourths of enforcement managers questioned by GAO said some of the work done by their unit is duplicated by another INS office. For example, both the Border Patrol and the Investigations Division do employer sanctions investigations. Because each group receives program guidance from different offices within INS, different targeting, investigative, and penalty strategies are being used in the same jurisdiction. According to a March 1990 Urban Institute and RAND Corporation study, this inconsistent program implementation threatens the future success of employer sanctions. (See pp. 35-36.)

Further illustrating INS' failure to properly delineate enforcement responsibilities is the fact that while the Border Patrol is becoming more involved in investigations, Investigations Division special agents are spending large amounts of time on noninvestigative activities. Investigations Division officials estimate that 57 percent of investigative agents' time is spent doing activities that could be done by lower grade personnel. (See pp. 36-37.)

Changes in the enforcement program have also had profound effects on INS' detention program. The increased apprehension of aliens who are from countries other than Mexico has resulted in a critical need for additional detention facilities because these aliens cannot be easily returned to their countries. Similarly, the increased apprehension of aliens convicted of serious felonies has produced the need for more secure facilities. In an effort to reduce some of the demand placed on detention facilities by criminal aliens, INS has taken steps to streamline the deportation process. But INS has not taken other needed actions to deal with these problems. Although some new facilities have been built, staffing shortages have limited their use. For example, a new detention facility

at Florence, Arizona, has been completed since March 1990, but inadequate staffing has forced the facility to operate at less than 25 percent capacity. In addition, facilities managers complained to GAO that both guards and detainees were at risk because of inadequate staff and security at some detention facilities. For example, the El Centro, California, facility, whose population is nearly all serious felons, has less than half of the staff required by an INS staffing analysis and needs upgraded security. (See pp. 37-43.)

Longstanding Service Delivery Problems Remain Unresolved

GAO found that despite a large increase in funds from user fees for adjudications and inspections, INS has not taken sufficient actions to address service delivery problems.

Although the expenditures for adjudications have nearly doubled since 1986, most average processing times nationwide continue to exceed INS' own 4-month internal standard, and lengthy processing delays of cases continue at several district offices. For example, in fiscal year 1989, the Miami District's average processing time for naturalization cases was 12 months and Chicago's average time for asylum cases was 31 months. INS' use of temporary staff details to relieve delays in processing cases has proven ineffective. In 1989, questions regarding the quality of 31,000 asylum cases handled by temporary staff led to re-examinations, thus making any time savings short lived. (See pp. 47-50.)

Other causes for processing delays included longstanding vacant adjudication positions due to hiring freezes, transfer of funds to other programs, and inadequate resource allocations with district office personnel not distributed according to workload. In addition, critical automated processing systems needed to improve service have been delayed because of ineffective coordination between Adjudications and Office of Information Systems. (See pp. 50-52.)

INS also has not resolved the critical shortages of inspector staff at the eight largest land border crossings. These shortages have contributed to delays; waits of several hours are not uncommon at these land border crossings. These land border crossings do not meet INS' own staffing guidelines of one inspector for every 200,000 annual inspections. Using INS statistics, GAO calculated the "best" of the eight, Buffalo, would need to increase staff by 70 percent, or 43 inspectors; and the "worst" port, San Ysidro, would need to more than double its staff by adding 192 inspectors to meet these internal staffing guidelines for inspectors. (See pp. 53-56.)

INS has also not adequately addressed excessive overtime costs. Department of Justice and INS internal audit reports in 1988 and 1989 noted problems with misuse and control of overtime. For example, Justice said that poor scheduling of inspectors resulted in excessive overtime, noting that at one port, for example, 78 percent of all inspections were done by inspectors on overtime. Despite these reports, overtime hours remain high. Nearly one-third of all inspection expenditures at airports and seaports of entry are for overtime; despite staff being nearly tripled at these ports, overtime hours increased from 452,000 to 670,000 hours between fiscal years 1986 and 1990. INS officials told GAO overtime was difficult to control because many inspectors and supervisors have become accustomed to earning from \$10,000 to \$20,000 extra a year in overtime pay. (See pp. 56-58.)

Budget Process and Controls Are Deplorable

Given the lack of INS leadership, a chaotic budget development process has evolved with weak controls over expenses and revenue that significantly decrease INS management's ability to address program weaknesses. INS' budget process suffers from the lack of agencywide priorities and as a result has degenerated into an annual process of competing, narrow parochial program interests. The INS budget process results in only small incremental changes to unit allocations and does not take into account needed shifts in workload across units. As a result, program resources are not being targeted to where they are most needed. For example, using a recent resource allocation model, the Border Patrol estimated that San Diego was understaffed by 278 agents, while Del Rio, Texas, was overstaffed by 173 agents. (See pp. 60-64.)

Because of poor financial information, INS cannot determine how much has been spent by its units. INS internal records of unexpended appropriated fund balances as of September 30, 1989, differed from those submitted to the Treasury Department by \$94 million. INS' general ledger showed a combined balance of \$246 million, while Treasury's records, derived from monthly reports submitted to Treasury by INS, showed \$152 million. When differences occur between agency and Treasury records, it is the agency's responsibility to determine the reasons for the differences and correct the balance; however, INS has not reconciled the records, despite requirements by Treasury to do so. (See pp. 66-67.)

Without sound financial information and control over spending, INS constantly adjusted unit budget allocations. During fiscal year 1989, INS changed unit budget allocations seven times. As of May 1990, INS

changed allocations three times. INS managers complained that constantly changing budget allocations restricted their ability to manage programs. Over 80 percent of INS managers said that financial problems affected their units' ability to carry out their mission. (See pp. 64-65.)

INS faces a significant and unnecessary degree of potential for fraud due to inadequate controls over nearly \$300 million in annual fee revenue. For example, INS has no written procedures for forecasting, tracking, and controlling inspection user fees; and 29 INS field offices follow slack business procedures when they routinely send thousands of dollars in cash generated from examination fees in the mail to banks for deposit. (See pp. 68-71.)

Decentralized Organizational Autonomy

INS' lack of leadership has resulted in an organizational structure that, over the years, has produced increasing geographic fragmentation of programmatic operations. Part of this fragmentation can be traced to INS' lack of control over politically appointed regional commissioners who used their autonomy to thwart headquarters' efforts to allocate resources and manage INS programs. This regional autonomy made it more difficult for INS to effectively perform its changing and growing mission. As a result, program overlaps proliferated, competition for resources among INS programs intensified, and accountability for field operations was diffused. (See pp. 74-83.)

In addition to autonomous regional offices, INS' field structure splits enforcement responsibility. Under this bifurcated organizational structure, both Border Patrol Sectors and District Offices do enforcement work, but each reports through separate chains of command. This structure results in program overlap and hampers coordination. Almost 60 percent of INS executives and managers told GAO that the organizational structure did not work well. (See pp. 83-85.)

In early 1990, the INS Commissioner began to take steps to restructure the agency. He centralized some of the budget and personnel functions and developed a reorganization proposal. This proposal, which as of September 1990 had not been approved by the Justice Department, addresses some of the problems, but it does not adequately address the serious geographic and programmatic fragmentation in INS' enforcement activities. (See pp. 85-88.)

Agencywide Management Framework Needed

Clearly stated priorities and goals, effective communication, and adequate accountability systems are important management tools for any organization, and they are especially vital for INS because of the interrelatedness of INS' programs. However, INS has not effectively used these tools to manage the agency. Although INS has attempted several agencywide planning systems in the past decade, INS managers remain uncertain about the direction of the agency.

- Fifty-four percent of the INS managers responding to GAO's survey thought INS priorities were unclear.
- Sixty-five percent of the managers thought the geographic distribution of funding among programs was inappropriate.
- Sixty-three percent of the managers indicated difficulty in communications between headquarters and regions. One example of this problem was that district directors and other key officials first learned of a major policy change regarding family members of aliens legalized under IRCA from newspaper articles instead of from INS leadership. (See pp. 90-98.)

Also, the lack of accountability has allowed managers to dramatically overspend budgets and disregard federal fiscal policy. For example, three of four INS regions exceeded their fiscal year 1988 budget by a total of \$12 million. In fiscal year 1989 Southern Region officials continued a pattern of fiscal abuse. According to an INS internal review, in fiscal year 1989, Southern Region officials made open market purchases instead of using competitive bidding practices and split large procurements into several small amounts to avoid higher level review and approval. (See pp. 98-101.)

Recommendations

The INS Commissioner must take a series of immediate actions to clarify the Service's roles so that a clear sense of purpose and coordination among the components can be achieved. The Commissioner needs to

- develop an enforcement strategy that clearly delineates the responsibilities of the Border Patrol and Investigations Division to improve coordination and eliminate unnecessary program overlap (see p. 43-44);
- address the crisis situation at INS detention facilities by increasing the number of detention officers and augmenting physical security (see p. 44); and
- allocate adjudication and inspection resources to improve service and, among other goals, reduce the high inspection overtime usage (see pp. 58-59).

Similarly, immediate action is needed by the Attorney General. The key to achieving program success and reordering priorities are sound financial management and budget systems. INS has neither. It has been unsuccessful in attempts to realize sound financial management for years, and GAO does not believe INS should continue to try to solve this problem alone. Therefore, GAO recommends that the Attorney General, in consultation with the Director of OMB, establish a group of top experts from other federal agencies and the private sector to work with the Commissioner of INS on the design and implementation of an effective financial management system by the end of fiscal year 1991. The goals should be to revamp the entire budget and financial control process so that resources are based on priorities and workload; financial information is adequate to permit effective program management; and controls over revenue and expenses ensure accountability and reduce the potential for fraud. (See pp. 72-73.)

Even though the above recommendations need to be implemented to help solve INS' problems, GAO is not confident that acting on them alone will result in a more effective INS. Something more fundamental must occur. The Attorney General and the Commissioner of INS must articulate a vision of how INS is to operate to effectively carry out its role of implementing the Nation's immigration policy. The approach to dealing with INS has been too ad hoc over the years. Specific improvements must be undertaken within a broad strategic context about how the agency should operate.

As GAO has noted in previous management reviews, all too often the focus of agency leadership is only on the short term. Focus on the short-term consequences of actions has too often resulted in serious long-term problems. INS' problems are too longstanding to allow it to continually ignore the fundamental need to develop a strategic vision about how the agency should operate.

Therefore, GAO recommends that the Attorney General and the Commissioner of INS begin the process of developing this vision and then build a consensus for it both within INS, as well as with Congress and affected groups in the country. Specifically, this vision should include determining what the priorities should be and establishing a multi-year financial, resource allocation, and accountability strategy to achieve it, along with a multi-year staff development program to assure that appropriate people are properly trained and developed to carry out the mission. The exact means that the Attorney General and the Commissioner should use to develop a strategic context for INS to operate within should be left

to them. But there must be an explicit commitment on the leadership's part that it will seriously engage in the effort if long-term improvements in INS are to be realized. (See pp. 88-89 and 101-102.)

Agency Comments

On November 6, 1990, after reviewing a draft copy of this report, the Attorney General announced the appointment of a group of current and former government executives and other management experts to assist the Commissioner in addressing INS' longstanding problems. This management group is to make recommendations on needed reforms to the Attorney General by February 1991. GAO believes this effort is an important step in the right direction.

On December 7 and 10, 1990, the Department of Justice and INS provided written comments on a draft of this report. Both the Attorney General and the Commissioner of INS recognized that management improvements are necessary at INS and, as noted above, the Attorney General has appointed a management group to assist with these reforms. Both the Department of Justice and INS said they would not be in a position to comment on the report's findings and recommendations until after the management group has reported to the Attorney General. In addition, INS provided suggested revisions and information to update the report. These changes were made where appropriate. Letters containing Department of Justice and INS comments are included in appendices IV and V.

Recommendation to Congressional Committees

To ensure continued attention to solving INS' problems, GAO recommends that the Senate and House Committees on the Judiciary hold oversight hearings on the recommendations contained in this report, as well as the recommendations of the management group appointed by the Attorney General. (See pp. 102-103.)

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Abbreviations

BOP	Bureau of Prisons
EOIR	Executive Office of Immigration Review
GSA	General Services Administration
INS	Immigration and Naturalization Service
IRCA	Immigration Reform and Control Act
IRM	Information Resource Management
MBO	Management by Objective
OIS	Office of Information Systems
OMB	Office of Management and Budget
OCDETF	Organized Crime and Drug Enforcement Task Forces
PMS	Priorities Management System

INS: An Overview

The Immigration and Naturalization Service (INS) is basically a product of United States immigration policy. Thus, to understand INS, it is important to understand how that policy has evolved. World changes have resulted in inevitable changes in the agency. INS has been moved around in the government and has been divided and rejoined. With time, INS' responsibilities grew and so did the number of its critics. In addition, between 1975 and 1990 INS' budget has more than tripled and the number of personnel has increased by 70 percent.

Historical Perspective

The first efforts to centralize control over immigration began in 1864. Congress passed legislation that provided for the appointment of a Commissioner of Immigration by the president. At first, the individual states were responsible, with federal oversight, for the enforcement of immigration. However, in 1891, the dual state-federal administration of immigration matters ended; Congress enacted a law regulating immigration, and the Bureau of Immigration was created within the Department of the Treasury. The Bureau of Immigration had 24 inspection stations at seaports and along the Canadian and Mexican borders. From this early structure, INS evolved.

1900-1930s: Multiple Policy and Organization Transitions

In 1903, a key change took place. The Bureau was transferred to the then Department of Commerce and Labor because its work focused on foreign contract labor. Then, in 1906, the naturalization functions were also transferred from the states to the federal government, and the Bureau of Immigration and Naturalization was formed. By 1913, however, the naturalization and immigration functions were separated into two bureaus under the Department of Labor.

The Quota Act of 1921 and the 1924 Immigration Act were among the first pieces of legislation designed to limit the number of immigrants from war-torn Europe following World War I. Admissions to the United States were to be more tightly regulated, and Congress recognized the need to better guard the border. To further these goals, Congress authorized border patrol activities as part of the Bureau of Immigration services in 1924.

In 1933, the two bureaus were combined following concern that naturalization was being poorly run. Allegations about naturalization frauds and the lack of administrative uniformity in the application of the naturalization laws were among the concerns that prompted this action. A

June 10, 1933, Executive Order officially consolidated the Bureau of Immigration and the Bureau of Naturalization, thus creating INS.

1940s: International Conflicts Changes Immigration Policy

National security became an important issue as the United States headed towards World War II. In 1940, the Alien Registration Act required all newly entering aliens and those already present over age 14 to be registered and fingerprinted. This shift in primary functions, from exclusion of aliens in the 1920s and 1930s to combatting alien criminal and subversive elements, provided the impetus to move INS from Labor to the Department of Justice in 1940. INS remains in Justice today.

By 1944, INS had begun the process of switching back to peacetime activities. The INS divisions responsible for alien registration and special inspections activities were eliminated, but this did not mean INS' responsibilities were diminishing. After the war, the agency experienced a dramatic increase in workload. From fiscal year 1944 to 1945, immigration increased about 34 percent. In 1948 Congress expanded INS' duties to include enforcing the Displaced Persons Act of 1948, which related to persons fleeing persecution.

1950s and 1960s: Complex Immigration Practices Begin

In 1952, the Immigration and Nationality Act established the basis for INS' current policies and procedures. This legislation largely maintained the national origins quota system while also creating admission preference categories for skilled aliens and relatives. This new system limited the number of persons of each nationality that could be annually admitted to the United States. The act also eliminated racial barriers for immigration and naturalization, strengthened internal security provisions, and enlarged the grounds for exclusion while providing for due process in adjudications and deportation proceedings. Each of these changes meant more work for INS.

The passage of the 1952 act called attention again to the national origins quota system. With the Civil Rights Movement in full swing, public attitudes towards race and national origin were changing. This change in attitude increased pressure to establish a unified quota that would allocate immigration visas without regard to national origin, race, creed, or color. In 1965, the Immigration and Nationality Act Amendments substituted a system of preferences based primarily on family reunification and needed skills for one based on nationality and ethnic considerations. Overall, the new law increased the annual number of immigrants allowed to 270,000.

These 1965 amendments coincided with several developments in the world that greatly contributed to another dramatic rise in INS' work load. International air travel was increasing, and rapid population growth combined with continued poverty was pushing more aliens across the border. American involvement in Indochina and Castro's takeover of Cuba were also increasing the number of refugees.

**1970s and 1980s:
Increased Concern
Regarding Illegal Entries**

By the 1970s, INS was being severely criticized by congressional leaders, former INS officials, and management experts. Illegal entries had increased dramatically. Despite increased efforts, the number of deportable aliens apprehended annually by INS was almost double the number of legally admitted immigrants. As a result, INS increasingly became the target for criticism. From this time into the 1980s, much of the discussion on immigration policy focused on how to improve INS' efforts to deal with illegal immigration.

In response to this growing concern, Congress passed the Immigration Reform and Control Act (IRCA) of 1986. The law established two amnesty programs to legalize unauthorized aliens—one for aliens residing in the United States prior to January 1, 1982, and another for aliens who had worked in agriculture for at least 90 days during the year ending May 1, 1986. To help control illegal immigration, the act established sanctions that could be imposed on employers who knowingly hired unauthorized aliens. In addition to its usual duties, INS began educating employers about their requirements under IRCA and identifying and fining violators.

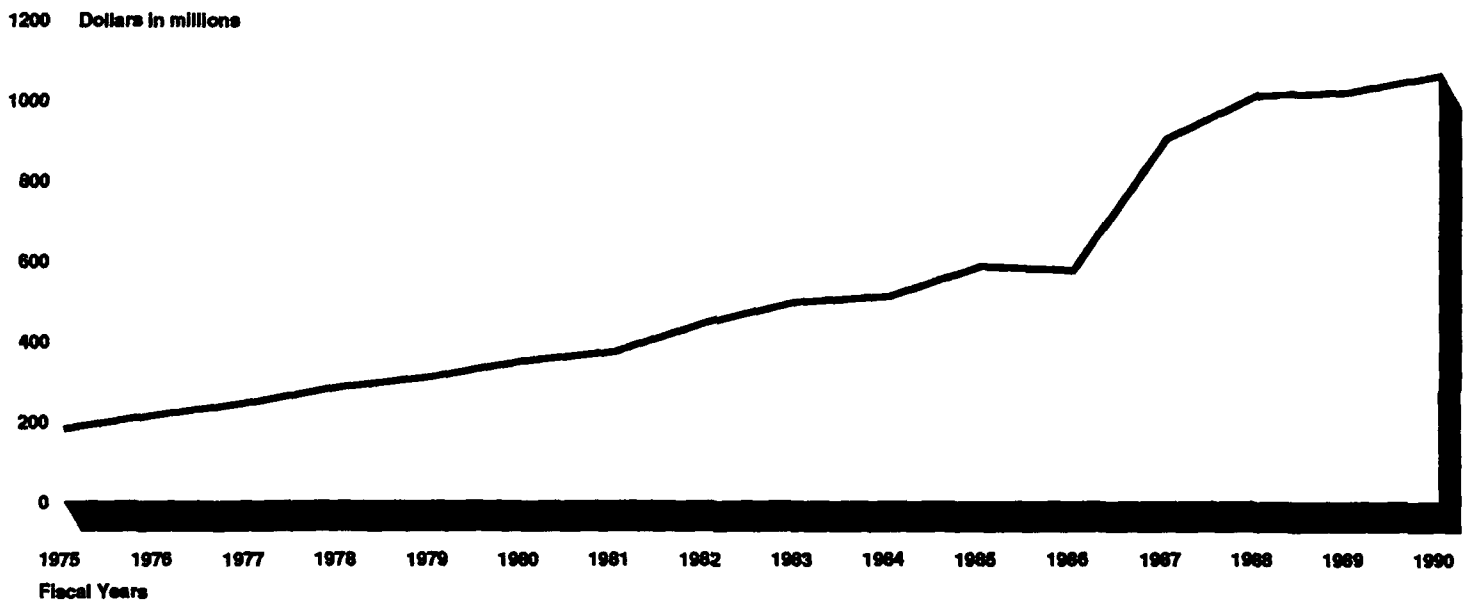
As of May 1990 INS had processed over 3 million requests for legalization under IRCA. Also, INS' handling of the amnesty program, despite short time frames for implementation and numerous problems, has received good marks from both INS critics and supporters. Our analysis of IRCA implementation has resulted in three reports, with the latest one concluding that INS enforced the law satisfactorily but that the law resulted in widespread discriminatory practices by employers.¹

¹Immigration Reform: Status of Implementing Employer Sanctions After One Year (GAO/GGD-88-14, Nov. 5, 1987).
Immigration Reform: Status of Implementing Employer Sanctions After Second Year (GAO/GGD-89-16, Nov. 15, 1988).
Immigration Reform: Employer Sanctions and the Question of Discrimination (GAO/GGD-90-62, Mar. 29, 1990).

Trends in Resources

INS grew substantially between 1975 and 1990. The budget more than tripled and the number of employees more than doubled, as shown in figures 1.1 and 1.2.

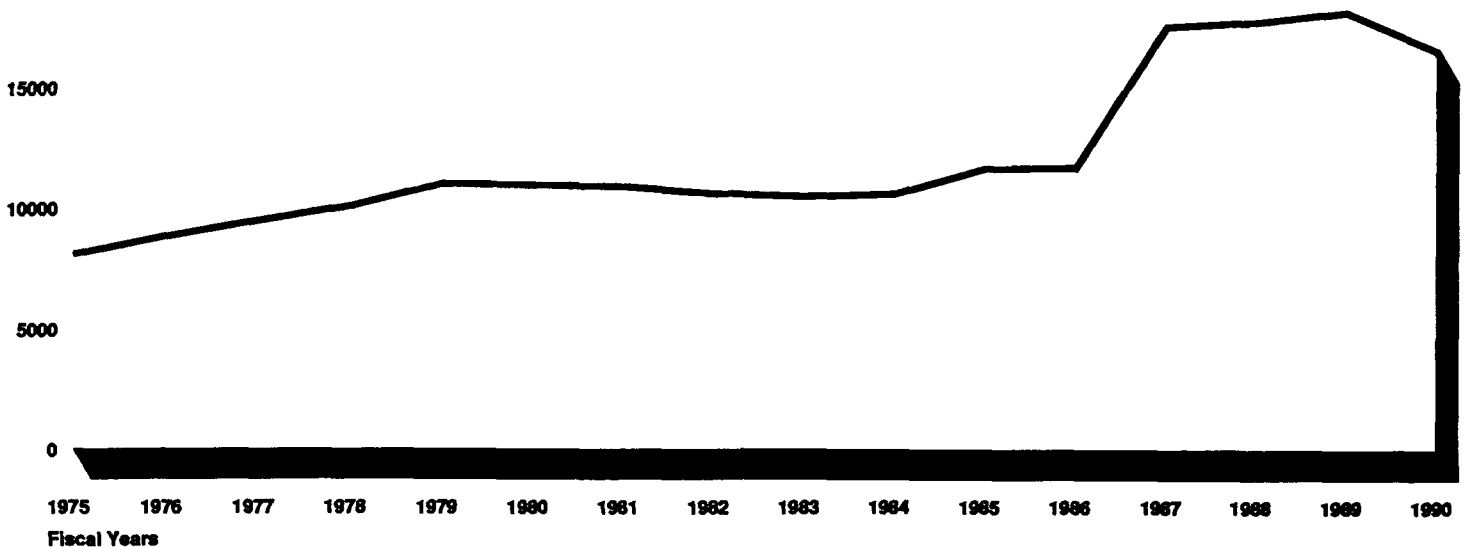
Figure 1.1: Growth of INS Budget, Fiscal Years 1975-1990



Source: Justice Management Division.

Figure 1.2: Growth in INS Workforce, Fiscal Years 1975-1990

20000 Full time equivalent staff



Source: Justice Management Division.

The rapid budget rise was due primarily to IRCA, both for the amnesty programs and stronger enforcement efforts. However, the establishment of the Immigration User Fee for some international air and sea travelers, the Legalization Fees for the Legalization Program and the Examinations User Fee for the Adjudications Program also boosted the agency's funds by more than \$300 million in fiscal year 1990.

Roles of INS Units

INS has a multifaceted mission; in fact, "missions" would be a more accurate description. These missions are generally carried out by the Examinations and Enforcement Branches. The Examinations Branch is responsible for

- facilitating the entry of persons legally admissible as visitors or as immigrants to the United States; and
- granting benefits, including providing assistance, to those seeking permanent resident status or naturalization.

The Enforcement Branch is responsible for

-
- preventing unlawful entry, employment, or receipt of benefits by those who are not entitled to them; and
 - apprehending or removing those aliens who enter or remain illegally in the United States and/or whose stay is not in the public interest.

Appendix II briefly describes the roles of key INS units and shows fiscal year 1990 budget and personnel levels. In addition to the two main branches, INS has a branch for information systems and one for administrative services. The agency structure includes 4 regions, 4 regional service centers, 33 districts, and 20 sectors. The programs and services are administered not only at ports of entry and field offices throughout the United States, but also in selected locations in U.S. territories and abroad. Further discussion of INS' organizational structure is contained in chapter 6.

Objective, Scope, and Methodology

The objective of this general management review was to assess the overall role and performance of INS and to identify ways to meet the challenges it faces while experiencing unprecedented growth and change. We did our audit work at INS headquarters in Washington, DC; at all of INS' regional offices; and at selected district offices and border patrol sectors in six states. Our work was done from October 1989 to May 1990 in accordance with generally accepted government auditing standards. INS management and financial information did not present a reliable accounting for programs due to inaccuracies and inconsistencies that we describe in the report; however, it was the best available information at the time of our review.

We used a variety of techniques to evaluate INS management. To gain an understanding of INS' environment, history, operations, organization, and programs, we reviewed agency documents, budget material, consultant reports and studies, prior GAO and Justice reports, legislation, literature on INS, regulations, and transcripts of congressional hearings on various aspects of INS.

To obtain internal perceptions of current INS management, we sent a questionnaire to 2,908 career and appointed INS managers and senior staff. Recipients included all INS managers and senior staff at or above the grade 13 level, as well as all other individuals designated as managers or supervisors by INS at grades 11 and 12. All organizational units within INS were represented in our survey. Our response rate was 84 percent. Further details of the survey are presented in appendix III.

We consulted with former INS top management officials and with Justice experts and management experts concerning our evaluation and the activities within INS. A list of these individuals is in appendix I.

We interviewed over 100 INS, Justice, and Office of Management and Budget (OMB) officials. We gathered and analyzed INS data concerning planning, accountability, budget and financial control, information management, and organizational structure. To provide useful examples and to increase our awareness, we also studied several INS programs covering each of these topics. For example, to further our awareness of INS planning efforts, we carefully analyzed the operational plans from Adjudications, Inspections, Detention, and Border Patrol. To further our knowledge of INS accountability standards, we examined personnel files and performance records of INS program managers.

We obtained written comments on a draft of this report from the Department of Justice and INS. Both the Attorney General and the Commissioner of INS recognized that management improvements are necessary at INS, and the Attorney General has appointed a group of current and former government executives and other management experts to assist with these reforms. Both the Department of Justice and INS said they would not be able to comment on the report's findings until after the group has reported to the Attorney General. In addition, INS provided suggested revisions and information to update the report. These changes were made where appropriate. Letters containing Department of Justice and INS comments are included in appendixes IV and V.

As part of our overall management assessment of INS, we are also issuing separate reports on financial and information management. Our report entitled Financial Management: INS Lacks Accountability and Controls Over Its Resources (GAO/AFMD-91-20), provides additional information on INS' financial management problems and includes several additional recommendations to the INS Commissioner to address these problems. We also issued a report entitled Information Management: Immigration and Naturalization Service Lacks Ready Access to Essential Data (GAO/IMTEC-90-75, Sept. 1990), which discusses numerous problems with information management, including the lack of overall information management leadership and planning. This report contains additional recommendations to the Attorney General and the Commissioner of INS.

INS' Environment Complicates Management

Management of INS is constrained by several environmental factors, including the diversity of its mission, the unpredictable nature of changing world conditions, the persistent negative perceptions—both internally and externally—of INS' abilities, and the difficulty in coordinating the complex number of agencies and outside interest groups who are affected by INS. Management's failure to provide effective leadership within this environment has resulted in the organization developing into a group of autonomous, segmented programs.

The Diverse Mission

One of the most common observations made about INS is that it is an agency at odds with itself. The two main units within INS—enforcement and service—have quite different, almost opposite, organizational objectives. One unit is charged with keeping immigrants out of the country, the other with facilitating their entry. This difference has led to serious conflicts and has contributed to a fragmented approach to administering immigration policy.

Strictly speaking, the entire agency is working to promote and allow only legal immigration and travel to the United States. However, the enforcement approach and service approach to work vary drastically. Enforcement is a microcosm of the Justice Department's activities, fielding both uniform and plain clothes divisions and operating a detention system and an intelligence operation. The service side, on the other hand, disseminates information on the immigration process to the public, provides immigration-related administrative or adjudicatory services, and manages the process of naturalization. In contrast to the law enforcement culture that predominates the enforcement side, the culture on the service side is more akin to that of social workers.

The diverse objectives of enforcement versus service has been a major topic of management studies on immigration. Both the Brookings Institute and the Commission for the Study of Migration and Cooperative Economic Development noted the ambiguities within immigration policy in their respective studies. The Brookings Institute refers to INS as a "beleaguered bureaucracy" and states that the enforcement of immigration policy is considerably more difficult than it might otherwise be because of the contradictory nature of the government's objectives.¹ The Commission noted that "U.S. immigration policy has long been ambivalent and often incoherent," and it pointed out that inconsistencies in

¹ Morris, Milton D., *Immigration—The Beleaguered Bureaucracy*, (Washington, D.C.: 1985), p.92

immigration policy often send contradictory signals to actual and potential immigrants. For example, at the same time economic development that encourages immigration is being promoted, restrictions to control unauthorized immigration are also being established.² Internal conflicts between the two sides of the agency were also evident from our survey of INS managers. Over 50 percent of INS managers indicated that often unclear and ambiguous policies were a major problem.

Changing Conditions Complicate Effective Management

INS' diverse and complex mission is only part of INS' complicated environment. In addition, INS management is complicated by the powerful external forces that determine to a large measure the degree and character of the demands placed on the agency. Ever-changing world events often cause unexpected turns in immigration.

To a large extent, INS' work load is outside of its control. Changes in foreign policy and unpredictable world events have a direct impact on INS operations. For example, a recent crisis occurred in Southwest Texas in 1989 when thousands of aliens streamed across the border fleeing political and economic unrest in Central America. Currently, thousands of asylum applications from Nicaraguan aliens are pending; and with recent political changes in Nicaragua, INS faces difficult policy decisions regarding the fate of Nicaraguan asylum applicants.

The dramatic events that began in Eastern Europe in 1989 and continue in 1990 have already affected INS. During the period in the 1980s when Solidarity was outlawed in Poland, thousands of refugees were admitted to the United States basing their claim to asylum on being members of Solidarity. However, Poland's recent change in government raises questions for those Poles who have not already been granted permanent resident status. Changes in Soviet foreign and domestic policy have drastically increased the number of authorized Soviet emigres and had a profound effect on INS asylum and refugee adjudications. Not only has the workload increased but the process is more complicated. Up-to-date information regarding political repression and violations of human rights is required to adequately process these claims, however, it is often difficult to keep abreast of these rapidly changing conditions.

²Unauthorized Migration: An Economic Development Response, Report of the Commission for the Study of International Migration and Cooperative Economic Development (Washington, D.C.: July 1990), pp. xiv to xv.

The Mariel Cubans are another example of a predicament that continues to plague INS. In 1980, about 125,000 Cubans came to America during the Mariel boatlift. The influx of Cubans created some long-term problems for INS. Some of these Cuban nationals had committed crimes in their country or were mentally ill, while others were just seeking a better life in the United States. INS had to detain these Cubans until determinations could be made regarding who could be released, who could be repatriated, and who had committed crimes and required long-term detention. This situation grew more difficult because the Cuban government initially would not provide background information on criminals and would not allow repatriation. In fact, since 1980, Cuba has only allowed about 400 Cubans to be returned. Also, INS faced a crisis in 1987 when riots broke out in several facilities where Cuban nationals were being detained. As of March 1990, 10 years after the Mariel boatlift, about 2,600 Cubans are being held in INS detention awaiting release or repatriation.

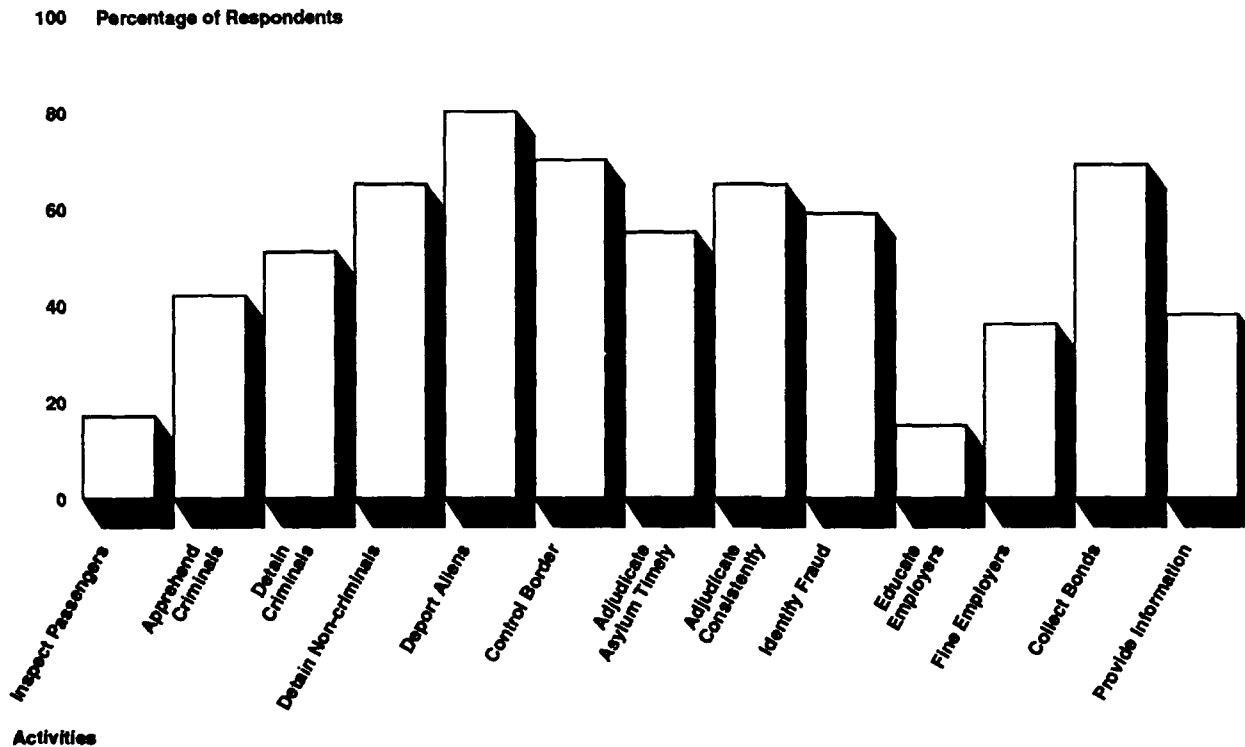
Negative Perceptions of INS Continue to Erode Morale

Another problem complicating management is the generally negative perception held by INS managers regarding the effectiveness of the agency. This problem is compounded by the low morale in some INS organizations. In addition, both Congress and Justice have a generally negative view of INS.

Managers View Major INS Programs as Ineffective

Many INS managers expressed the opinion that several key INS programs were ineffective, including detention, deportation, border control, and adjudication of cases in a timely and consistent manner. Conversely, inspection activities at ports of entry and education of employers on and enforcement of IRCA sanctions and enforcement were generally viewed as effective. Figure 2.1 presents the percent of managers viewing selected INS activities as ineffective.

Figure 2.1: INS Managers Who Think Activities Are Ineffective



Source: GAO Survey of INS Managers.

Overall, morale at INS seems mixed. Thirty-five percent of managers said morale was high, 41 percent said it was low, and 24 percent said neither high nor low. However, morale for employees in some groups was fairly low. For example, more than half of the managers from headquarters, inspections, information systems, and detention indicated that morale was low, but only 28 percent of regional managers and 17 percent of the managers from foreign offices indicated that morale was low.

Even though the level of morale varied by unit, over 70 percent of INS managers agencywide thought that employee morale needed great improvement.

Congressional Concern Over INS Management Continues

Although improvements have occurred since the passage of IRCA, historically, Congress' attitude towards INS has been negative. Because of perceived management problems at INS, in 1980, the Senate Committee on the Judiciary mandated a management study before it would authorize INS' funding requests for fiscal year 1981. In 1979 and 1980, Congress placed a hold on INS automatic data processing appropriations until the agency developed an acceptable automation plan. In addition, in the Fiscal Year 1985 Appropriations Authorization Act, the House Judiciary Committee complained about the unavailability of accurate and current statistical information on immigration matters with which policy decisions could be made in an informed manner.

Congressional hearings have shown that Congress is more supportive and generally pleased with INS' implementation of IRCA. Given the short time frames within which tasks under the act were accomplished, Congress credits INS for its aggressive and committed pursuit of the act's objectives.

However, many Members of Congress remain critical of INS. Issues raised in INS oversight hearings showed that some Members of Congress were concerned about the low priority in its service functions, particularly compared with its enforcement activities. Other Members have emphasized the Border Patrol and have pushed for increases in Border Patrol agents. In the hearings, Congress also was skeptical about the agency's claims of an overall net reduction in needed personnel for fiscal year 1990 given the continuing uncertainty of adequate data.

In our survey, more than 80 percent of INS managers said that congressional support of the agency needed great improvement. Over 75 percent of INS managers said that the image of INS held by Congress had a negative impact on the morale of agency employees.

Troubled Relations With Justice Have Historically Plagued INS

Organizationally, INS does not have a firm footing in the Department of Justice. INS' activities have been described by the Brookings Institution as "remote" from Justice's primary activities.³ We noted in our general management review of Justice that its departmentwide management controls had been somewhat fragmented in the past and that Justice's

³Morris, Milton D., Immigration—The Beleaguered Bureaucracy. (Washington, D. C.: 1985), p. 89.

individual components needed better oversight for coordination and management of their activities.⁴

The Commission For the Study of International Migration and Cooperative Economic Development commented on the distant relationship between INS and Justice in its July 1990 report.⁵ In this report, the Commission referred to INS as "a step-child agency" within Justice. Furthermore, given the insufficient level of attention and resources Justice and the Department of State devote to immigration, the Commission recommended separating INS from Justice and forming a new agency—the Agency for Migration Affairs—to provide overall leadership and direction for U.S. immigration policy.

The relationship between INS and Justice was also strained by a February 1989 Justice Management Division Special Audit of INS that was extremely critical. Justice found serious problems with INS' accounting and financial management systems, personnel policy, automated information systems, and security procedures. The study listed a number of programmatic problems that have resulted from inadequate administrative and financial systems within INS.

Multitude of Players Makes Coordinating Immigration Policy Difficult

Coordinating INS' interactions with outside agencies and numerous special interest groups complicates INS' task of enforcing immigration policy. INS not only has to work with the Department of State, the U.S. Customs Service, the Departments of Labor and Health and Human Services, and other Justice Department components, but it also must coordinate with many state and local agencies. INS also must deal with numerous and diverse special interest groups whose interests in immigration policy span a variety of topics from economic labor market growth to political and humanitarian concerns. Consequently, the challenge of coordinating immigration policy is compounded by the growing number of players involved.

One of the main coordination efforts for INS occurs at all U.S. ports of entry where INS shares the inspections function with U.S. Customs Service agents. At land ports INS and Customs agents are cross-trained to do each others' work in primary inspection. Opening and expanding ports

⁴Justice Department: Improved Management Processes Would Enhance Justice's Operations (GAO/GGD-86-12, Mar. 1986)

⁵Migration and Economic Development, the Commission for the Study of International Migration and Cooperative Economic Development (Washington, D.C.: July 1990), p. 28.

requires close cooperation between INS and Customs. At the ports, the two agencies also share the same computer system, which maintains information on aliens who are inadmissible to the United States or wanted by various police organizations.

INS works closely with several other agencies, most notably the Bureau of Prisons (BOP), the Executive Office of Immigration Review (EOIR), and the Department of State. INS houses many of its detained aliens in BOP facilities, especially long-term detainees such as the Mariel Cubans. EOIR is the quasi-judicial branch of Justice that contains the immigration judges and the Board of Immigration Appeals. The close relationship between immigration policy and foreign policy requires INS and the State Department to coordinate activities. INS must work closely with State in developing forms and issuing visas. In addition, the State Department provides input into INS' adjudication of refugee and asylum cases. Finally, interaction and communication between State and INS is crucial because of the direct and often profound impact foreign affairs has on INS. However, as noted in a July 1990 study on migration and economic development, coordination between State and INS on these issues has not been effective.⁶

INS' relationship with state and local agencies also compounds the problems of managing the agency's operations. State, county, and municipal jails are often used to house apprehended aliens. In addition, INS works with numerous agencies when determining aliens' eligibility for federally funded entitlement programs. INS must coordinate and share information with other federal organizations, such as Housing and Urban Development, Education, Labor, Agriculture, and Health and Human Services, as well as agencies from every state and several local agencies when deciding eligibility for housing assistance, unemployment compensation, student loans, food stamps, medicaid, aid to families with dependent children, and small business loans. The enormity of this task is reflected in the system INS designed to coordinate these efforts, the Systematic Alien Verification Entitlements database. This system contains over 25 million records and can be accessed by seven different methods.

With its involvement in the drug war, INS also must coordinate its work with the Drug Enforcement Administration, U.S. Customs Service, the Organized Crime and Drug Enforcement Task Forces, and the military.

⁶Migration and Economic Development, the Commission for the Study of International Migration and Cooperative Economic Development (Washington, D.C.: July 1990), p. 28.

Nine federal agencies, including INS, and numerous state and local law enforcement organizations make up the Task Forces, which are designed to coordinate the investigation and prosecution of highly sophisticated and diversified drug-related and money-laundering enterprises.

The job of coordinating special interest concerns is also difficult, given the number and diverse nature of these groups. INS officers across the country have daily contact with hundreds of nonprofit agencies, both advocacy groups and voluntary agencies. The advocacy groups, such as the Mexican-American Legal Defense and Educational Fund (MALDEF), the National Association of Latino Elected and Appointed Officials (NALEAO), and the Federation for American Immigration Reform (FAIR) work primarily on influencing immigration policy. Voluntary agencies often help aliens through the immigration process. Under IRCA, some of these voluntary groups became known as Qualified Designated Entities—INS-approved agencies that would educate aliens about legalization and assist them in applying for the amnesty programs. Some agencies, such as the American Immigration Lawyers Association, work on both policy and process matters.

While all federal agencies have interest groups with which they must contend, INS has a particularly large and diverse number. As the President's Management Improvement Council put it in an extensive 1980 study,

"the existence of voluntary agencies to do primarily immigration counseling, form-filling, and advocacy is a phenomenon peculiar to the Immigration Service as a government entity. Not too many federal agencies can boast that a cadre of constituent agencies has grown up to help them do their work."

However, given so many groups with such diverse interests, this kind of "help" does not always simplify INS' work. With so many groups, each working for its own particular population, INS management is faced with yet another problem—that of responding to all these different interests while maintaining consistency when enforcing immigration policy.

Environment and Weak Leadership Have Fostered Segmented Approach Towards Management

Management's failure to provide effective leadership within this environment has resulted in an organization of separate units, each working independently. INS has become a classic example of what Rosabeth Moss Kanter calls an organization run on "segmentalism." Segmented organizations compartmentalize actions, events, and problems and keep each piece isolated from the others. These organizations, she says, change "as little as possible, making only minimal adjustments." Consequently, this type of organization then becomes "a slave of its past—a victim, not a master of change."⁷

As will be evident in the following chapters, these environmental factors and the absence of strong central leadership have created an agency that treats problems in isolation one from the other and lets the existing structure dominate the future. Chapters 3 and 4 illustrate that INS leadership has not provided coherent overall direction to its enforcement and service activities, creating programs that are segmented and not considered as "wholes" of the organization. Also, as shown in chapters 5 and 6, this type of management has made it harder for the organization to move beyond its existing capacity and react positively to changes. Instead of fostering innovative solutions to challenges, INS has made only incremental changes to its unit budgets and organization when more drastic actions are required. Finally, in chapter 7, we discuss the need for improved leadership through more integrated, proactive management of INS' programs and problems—management that encourages better communication and clearer goals and priorities throughout the agency.

⁷Kanter, Rosabeth Moss, The Change Masters, (New York: Simon and Schuster, Inc., 1984), pp. 30 to 32.

INS Leadership Needed to Address Strategic Enforcement Issues

INS leadership has not addressed critical strategic issues facing the enforcement program, and as a result INS enforcement efforts have become fragmented. As INS has been faced with new enforcement responsibilities, INS leadership has not clearly delineated responsibilities among the various enforcement programs and has not determined the skills needed to carry out these activities. As a result, responsibilities among INS separate enforcement programs have increasingly overlapped, programs have been implemented inconsistently, and enforcement personnel have not been used effectively.

In addition, changes in the enforcement program have had profound effects on INS' detention program that have not been adequately addressed by INS leadership. The increased apprehension of aliens convicted of serious felonies and unauthorized aliens who are from countries other than Mexico has resulted in a critical need for not only additional detention facilities, but also more secure facilities. But INS leadership has not taken the necessary actions to deal with the problems. Although some new facilities have been built, staffing shortages have limited their use. In addition, facilities managers at some detention facilities complained to us that both guards and detainees were at risk because of inadequate staff and security.

INS leadership needs to develop an overall enforcement strategy that better integrates these interrelated programs, clearly delineates enforcement responsibilities, and determines the appropriate type of staff needed to carry out enforcement responsibilities. In addition, INS should assess detention needs within the context of overall enforcement priorities.

INS' Changing Enforcement Mission

In the past several years, INS has experienced significant growth and change in its enforcement responsibilities. During this period, INS saw its enforcement mission evolve from one aimed primarily at interdicting illegal aliens at or near the border to one with increased emphasis on investigative work and drug interdiction. This change was brought about by three factors: (1) the increased association of criminal elements with illegal immigration, (2) the increase in drug smuggling across the land border, and (3) the federal government's attempt to control illegal immigration by closing off employment opportunities for illegal aliens.

As the dimensions of the illegal alien control problems have become more complex, Congress has tasked INS with additional responsibilities for dealing with the problem. The employer sanction provisions of the

Immigration Reform and Control Act of 1986 were designed to limit illegal immigration by imposing sanctions on employers for hiring illegal aliens and thus denying employment opportunities to persons entering the country illegally. In response to the act, INS not only investigates and inspects employers for violations of these provisions, but also educates them as to the new restrictions on alien employment and the penalties for violating the new law. The INS enforcement mission was also expanded by the Anti-Drug Abuse Acts of 1986 and 1988. The 1988 law required INS to take into custody those aliens convicted of aggravated felonies upon completion of their sentences.

Enforcement Program Responsibilities Need to Be Clearly Defined

As enforcement responsibilities have changed, INS leadership has not adequately defined the roles of the two key enforcement divisions, Border Patrol and Investigations. The result has been increased overlapping responsibilities, inconsistent program implementation, and ineffective use of scarce resources. Specifically, the Border Patrol has become increasingly involved in investigations, which are the primary responsibility of the Investigations Division, and has gone so far as to establish interior Border Patrol stations to carry out these activities. While the Border Patrol has become more involved in investigations, Investigations Division special agents are spending large amounts of time on noninvestigative activities. INS leadership needs to more clearly delineate responsibilities among INS enforcement units and determine the staff skills needed to carry out these activities.

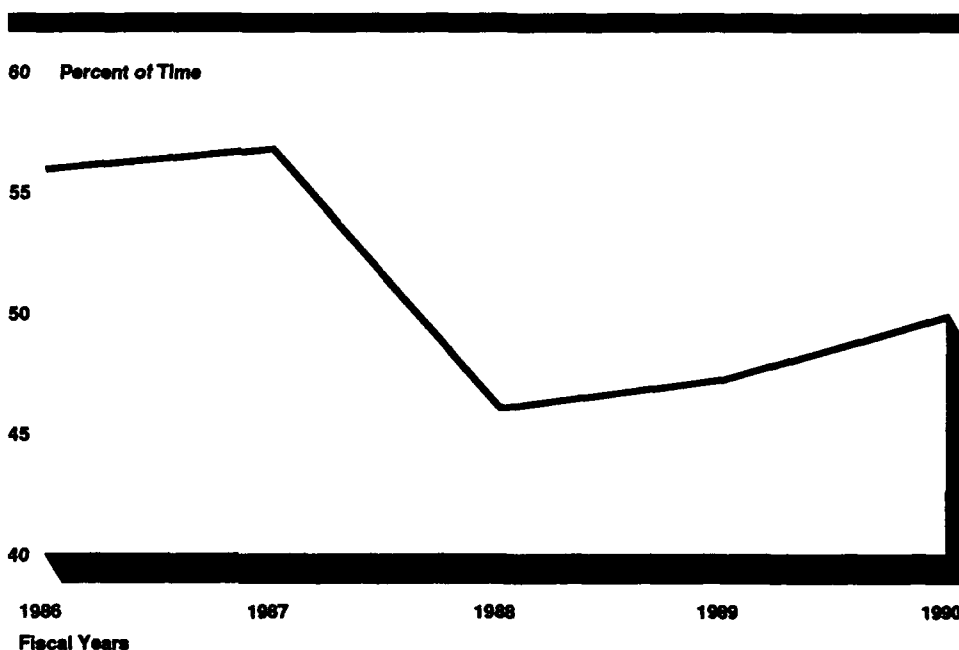
Concerned about these problems, on September 6, 1990, the Attorney General directed INS to develop a plan to clarify the roles and responsibilities of all enforcement programs. The plan is due to the Department of Justice by March 15, 1991. We have not analyzed the scope or methodology of this study.

Border Patrol Has Increased Involvement in Investigations

Since 1924, the Border Patrol has been the uniformed enforcement branch of INS specializing in preventing illegal entry of aliens and the apprehension of deportable aliens within the immediate area of U.S. borders. In recent years, however, the Border Patrol has become increasingly involved in activities other than this basic mission. According to INS records, since 1986 Border Patrol agents have spent less time in border activities. Figure 3.1 shows that the percent of time charges to border control activity declined from 55.9 percent in 1986 to 47.2 percent in 1989. Data for the first 6 months of fiscal year 1990 show that

border activity time charges increased somewhat, to 49.8 percent, but were still below the 1986 level.

Figure 3.1: Percent of Time Charged to Border Control Activities, Fiscal Years 1986-1990



Note: Data used for 1990 represents the first six months only, October 1989-March 1990.
Source: Performance Management Systems Data.

Some of the Border Patrol activities that do not involve border control include investigating drug and alien smuggling organizations, enforcing the employer sanctions provisions of IRCA, and identifying and taking into custody aliens who have been convicted of serious crimes. Border Patrol records show that officer hours charged to special programs, which includes these activities, increased from 290,000 hours, or 4 percent of officer hours, in fiscal year 1986 to more than a million hours, or 12 percent of officer hours, in fiscal year 1989.

As Border Patrol has become more involved in investigative and nonborder control functions, it created a GS-11 senior nonsupervisory agent position for agents who do investigative case work. Although these GS-11 positions have investigative responsibilities, the positions are not classified by the Office of Personnel Management as investigative in nature; they still carry the Border Patrol agent classification. As

of April 1990, the Border Patrol has 856 agents on-board in these GS-11 senior agent positions.

Border Patrol's increasing involvement in nonborder activities has resulted in the opening of several interior stations to carry out these activities. Since 1987, the Border Patrol has opened 12 interior stations, which are staffed with 104 agents. The Border Patrol now has stations in such places as Grand Rapids, Michigan; Roseburg, Oregon; and Dallas, Texas; all well over 100 miles from the border. In total, INS has more than 40 Border Patrol stations and offices staffed by 415 agents in locations not associated with land borders. Border Patrol agents assigned to these stations spend most of their time pursuing nontraditional border patrol activities.

But the Border Patrol's increasing involvement in nonborder control activities overlaps with the responsibilities of the Investigations Division. According to our survey large numbers of enforcement managers believe that their units' enforcement programs are duplicated at least some of the time. Seventy-four percent of Border Patrol managers and 76 percent of other enforcement program managers said that some of the work of their units was duplicated by other units in INS. Overall, 74.4 percent of enforcement managers thought that the work of their units was sometimes duplicated by other INS units.

Officials from Border Patrol, Investigations, and the Commissioner's office, as well as several former INS officials, told us that the Border Patrol involvement in other activities detracts from its basic interdiction mission along the border. These officials stated that Border Patrol resources should not be devoted to activities beyond the Patrol's basic border control mission when there are currently gaps in Border Patrol coverage on the border. A December 1989 internal INS study of the San Diego Border Patrol Sector noted that serious staff shortages exist in that sector's border coverage. Also, several respondents to our questionnaire expressed concern over the Border Patrol's increasing involvement in nonborder activities. For example, one district director noted that INS has established border patrol units up to "300 miles north of the border, overlapping districts, duplicating the need for office space in the same cities, and causing special agents and Border Patrol agents to compete for the liaison with local, state, and federal agencies."

This duplication not only has caused confusion and overlap among INS enforcement programs, but it has also resulted in inconsistent employer sanctions enforcement. As we noted previously, both the Border Patrol

and the Investigations Division carry out employer sanction investigations. Because each group receives program guidance from different offices within INS, the employer sanctions program has been inconsistently implemented. Specifically, inconsistent employer sanctions enforcement by the Border Patrol and Investigations Division was criticized in a March 1990 report by the Urban Institute and the RAND Corporation. The report notes:

"In a number of our sites sanctions were being enforced by both INS Investigations branches and the Border Patrol (BP). However, coordination between the two branches was weak. We found INS's Investigations and Border Patrol offices using different targeting, investigative, and penalty strategies in the same jurisdiction."

The report concluded that inconsistencies in policy and tactics between the Border Patrol and Investigations threatened the future success of the employer sanctions program.

Investigations Division Agents Doing Noninvestigative Activities

While Border Patrol agents have increased their involvement in investigative activities, Investigations Division special agents are spending much of their time in noninvestigative activities. The Investigations Division enforces the Immigration and Nationality Act within the interior of the United States and is responsible for employer sanctions, criminal alien activities, and fraud detection. The Division has about 1,500 personnel, of whom 1,300 are criminal investigative agents. However, much of these special agents' time is spent doing administrative or noninvestigative tasks associated with criminal alien operations and employer sanctions compliance investigations and education programs. While clearly this work is important, INS needs to develop a staff mix to ensure that the work is accomplished by the appropriate skill level.

For example, criminal alien operations, while including investigations leading to apprehensions of at-large criminal aliens, also involve identifying criminal aliens serving sentences in state and local penal institutions who are subject to deportation. Investigations officials said that these prison checks do not require sophisticated investigative skills since they consist mainly of determining through interviews whether an inmate is an alien and then obtaining conviction records and other documents needed to support deportation. Headquarters investigations officials estimated that 45 percent of all criminal alien work does not require experienced special agents.

An even greater percentage of employer sanctions compliance and employer education programs involves routine administrative activities. More than 97 percent of this work involves compliance checks and other noninvestigative work, such as checking compliance with paperwork requirements of IRCA.

Investigations special agents are also frequently detailed to noninvestigative duties within INS Districts. For example, our review of Miami District monthly activity reports during 1989 showed that Investigations special agents spent considerable time in such areas as Adjudications and Detention. Specifically, special agents spent several thousand hours adjudicating asylum applications and serving as guards at the Krome Detention Center.

Overall, using the Investigations Case Management System, INS estimates that 57 percent of the 1,300 Investigations Division case agents' time is being spent on activities not requiring special agent's skills.

The Investigations Division is aware that many of its investigators are spending large amounts of their time on noninvestigative or administrative activities and has proposed implementing a new position within Investigations. A May 1990 draft proposal calls for the creation of a general investigative position that would have a lower graded career ladder. This draft proposal calls for an Investigations Division staffing ratio of 60 percent special agents, 20 to 25 percent general investigators, and 15 to 20 percent investigative assistants and clerical positions. As of September 1990, this proposal was with the Department of Justice awaiting approval. We believe this proposal could help better utilize Investigations Division staff.

Detention Facilities Are Inadequate and Understaffed

Changes in INS' enforcement programs have not only affected enforcement operations, they also have had profound effects on the detention program. Enforcement's increased emphasis on aliens with serious criminal records and the apprehension of more aliens other than Mexican nationals have increased the need for both additional as well as more secure facilities. Although new detention facilities have been and are being built, INS has not adequately planned for new staff for these facilities. In addition, some detention facilities managers complained to us that both prisoner and guard safety were being threatened by understaffing and inadequate security.

The INS Detention and Deportation program is crucial to immigration law enforcement operations because it detains and deports illegal and excludable aliens. As noted in INS' 1990 Detention and Deportation plan:

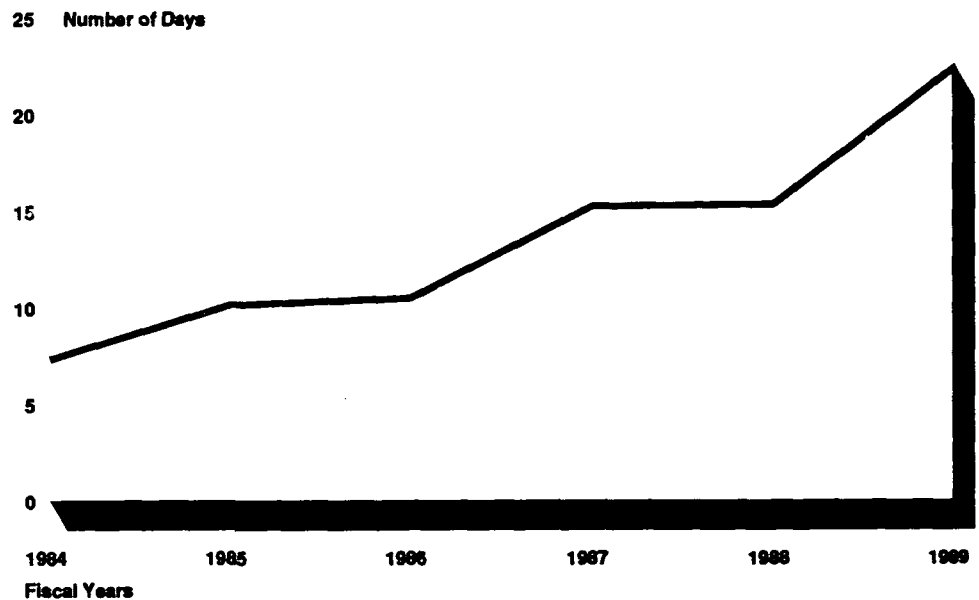
"The ability to detain an alien, when an alien's freedom at large clearly represents a present danger to public safety, is paramount if the Immigration and Nationality laws of this country are to be enforced. Clearly, if the capability to detain is not available, any deterrent effect upon illegal immigration is lost and enforcement efforts become no more than an exercise for training personnel."

INS operates seven Service Processing Centers capable of detaining a combined total of 2,429 people. Contract facilities provide space for another 950 people, and INS contracts with over 900 state and local prisons and jails to provide additional space. Even though the program's expenditures increased from \$82 million to \$169 million between fiscal years 1986 and 1989, INS' detention space needs have not kept pace with changing enforcement efforts.

Detention Has Not Kept Pace With Changing Needs

Even though the number of aliens apprehended by INS enforcement units has remained at about one million in recent years, the type of alien being apprehended has changed. Increasingly, INS is apprehending more aliens from countries other than Mexico and more aliens with serious criminal records. Both of these types of aliens require longer average lengths of stay at detention facilities. Figure 3.2 shows that the average length of stay of detainees has increased from 7.3 days in fiscal year 1984 to 22.3 days in fiscal year 1989. Because average stays are longer, fewer apprehended aliens can be detained in the available bedspace. In fact, the proportion of aliens detained has decreased from 24 percent in 1982 to 12 percent in 1989.

Figure 3.2: Average Length of Stay of
Detainees



Source: INS Six Year Detention Plan.

Although Mexican nationals historically have been and are still the largest group of people entering the United States illegally, recent domestic upheavals in Central America and other parts of the third world have resulted in increasing numbers of people from these countries seeking illegal entrance. Since these nationals cannot be returned as easily to their native lands as Mexicans, INS is forced to detain them for longer periods of time.

Another factor increasing length of stay at INS facilities is INS' increased emphasis on apprehension and detention of aliens convicted of felonies and other serious crimes. These criminal aliens normally remain in INS custody for much longer periods of time than illegal entrants, because deporting them can be a lengthy process due to the numerous rights of appeal available. The Anti-Drug Abuse Act of 1986 requires law enforcement officials to notify INS when they arrest individuals suspected of being illegal aliens on drug charges. The 1988 Anti-Drug Abuse Act requires INS to detain and deport aliens convicted of aggravated felonies, such as murder and drug trafficking. This new emphasis has significantly increased the number of criminal aliens detained by INS. INS does not maintain complete data on the number of criminal aliens detained but does have some information on the number of criminal

aliens apprehended. For example, the number of criminal aliens arrested in urban areas by Investigations increased from 12,500 to 30,500 between fiscal years 1986 and 1989. INS projects that it will need to detain almost 60,000 criminal aliens annually by fiscal year 1991.

Shortage of Staff and Security Creating Problems

INS' detention capacity has not kept pace with changing detention requirements. INS does not have sufficient space to house aliens, has not adequately staffed its facilities, and has not upgraded some facilities to meet security requirements for housing criminal aliens. As a result, according to facilities managers, this has posed a risk for INS personnel and lessened prisoner control.

Overall, INS' detention capacity has not kept pace with these changing detention requirements. INS' 1987 5-year detention plan estimated that a total detention capacity for more than 7,600 aliens would be needed by 1990; however, as of June 1990, INS has space for only 6,000. INS' new 6-year plan now estimates it will need a capacity for 8,500 aliens by fiscal year 1993. These plans call for criminal aliens to occupy a significant portion of these spaces. INS' 1990 6-year plan estimates that about 3,000 spaces will be needed to house the nearly 60,000 criminal aliens expected to be taken into custody annually. Neither INS' detention plan prepared in 1987, nor the plan prepared in 1990, discusses staffing needs for facilities. INS officials told us that staffing needs are outlined in the annual budget process. However, INS has not adequately integrated these staffing requests with the long-range detention plans.

Inadequate levels of staffing at INS facilities have created problems. As of June 1990, INS had 1,578 authorized detention and deportation positions, but it had filled only 1,342 of these positions. Justice and INS officials disagree over why these positions are not filled. INS detention officials told us that they did not have enough funds to fill the positions, but Department of Justice officials told us that the INS Comptroller had assured them that they had adequate funds to fill the positions. We could not determine whether funds allocated for these positions were adequate. Compounding the problems with this disagreement is the fact that Justice officials said they were reluctant to provide new detention positions when all of the authorized positions had not been filled. Clearly, INS and Justice officials need to work together to resolve these misunderstandings and address the serious shortage of detention staff.

Because of a lack of detention staff, all the detention space at new facilities cannot be used. For example, the Florence, Arizona, detention

facility was completed in March 1990. The facility can accommodate 335 aliens, but as of September 1990 capacity was limited to 75 aliens. INS detention officials said that it lacked detention officers to fully operate the facility and was waiting to finalize a contract for guard service.¹ INS anticipates the facility will operate at full capacity in fiscal year 1991.

INS also does not have adequate numbers of staff for the new San Pedro facility. INS anticipates that the San Pedro facility will be operational during the first quarter of fiscal year 1991; however, new detention positions have not been identified for this facility. Instead, detention and deportation positions will be transferred from other parts of the country to staff the facility. Detention officials told us that this was the best alternative available, because the detention program is not expected to receive any new positions. According to an INS staffing analysis, the San Pedro facility needs 115 detention enforcement officers. According to a Western regional official, as of April 1990, only 69 positions were authorized by INS.

Inadequate levels of staff are creating serious problems at some INS detention facilities. For example, the Krome facility in Miami, Florida, is understaffed and as of March 1990, only 64 of the 130 detention officer positions were filled. "Staffing levels at Krome have reached such a low point that the safety and security of both employees and detainees is endangered. . . ." noted the Krome Center Administrator in a March 1990 memo to the Miami District Director. The Miami Assistant District Director for Detention and Deportation told us that the Krome facility detention officers are assigned to 12-hour shifts because of the staff shortage and are beginning to show signs of "burn-out." In an October 1989 letter to the Center Administrator, the Public Health Services staff stated that the detention officers at Krome exhibit signs of stress, such as fatigue and irritability. The Public Health Service recommended that INS increase staffing, reduce work hours, and implement a stress management program. As of September 1990, detention officer staffing has shown little improvement as only 75 detention officer positions at Krome had been filled.

Not only does the detention program suffer from insufficient staff, but some facilities that now hold criminal aliens do not have adequate security. According to INS plans, minimum security facilities that house criminal aliens need to be upgraded to medium security. Although new facilities to house criminal aliens at Oakdale, Louisiana, and San Pedro,

¹INS uses guard service contracts for detention officers at some detention facilities.

California, are built or under construction, several other facilities, originally designed at a minimum security level, are being used to detain predominantly criminal aliens. For example, 98 percent of the population at the El Centro, California, facility are criminal aliens, and 55 to 60 percent of the New York facility are aliens convicted of aggravated felonies. Both of these facilities are currently rated as minimum security.

The situation at the El Centro detention facility is particularly troubling. This facility is not only understaffed, but it is not equipped to handle the increased security needed for its criminal alien population. The Western Region's staffing analysis for El Centro shows that it needs 150 detention officers, but at the time of our visit in March 1990, only 50 were on board. Making the situation even more serious is the fact that 98 percent of the population at El Centro are criminal aliens. Many of these aliens have committed serious, violent, or drug-related felonies and come from high security state and federal prisons, such as San Quentin, where they were serving sentences for their crimes. The El Centro facility is designed for minimum security and is faced with potentially volatile situations. The facility manager has recommended physical security enhancements, such as an observation deck, to compensate for lack of staff and to approximate the conditions at higher level correctional institutions. As of September 1990, these security enhancements had not been made and only 55 detention officers were on board.

INS headquarters officials said that after the opening of the new San Pedro facility in fiscal year 1991, the El Centro facility will no longer be used to house criminal aliens, and therefore major security improvements are not needed. However, Western Region officials told us that given the increasing demand for criminal alien detention, they will need to continue to house criminal aliens at El Centro.

INS officials also said that additional actions are being taken to try to reduce the number of criminal aliens that need to be detained. They noted that the key to being able to control the growing number of criminal aliens is to coordinate better with local, state, and federal law enforcement and prison officials so that deportation and exclusion hearings can be held before the criminal alien is released. INS is attempting to centralize the detention of criminal aliens at the Oakdale facilities in Louisiana and at the San Pedro facility in California when it is completed. Centralizing the detention of criminal aliens helps to make it easier to complete deportation or exclusion hearings prior to the criminal aliens' release from custody. In addition, INS and the Executive

Office of Immigration Review have entered into agreements with the majority of states for permission to hold deportation and exclusion proceedings at state and local detention facilities. INS officials said these steps will help to reduce the demand criminal aliens make on INS detention facilities.

Conclusions

As INS has been tasked with new enforcement duties, INS leadership has neither clearly delineated responsibilities among enforcement units, nor has it adequately addressed the resulting changes in the detention program. INS' two major enforcement organizations, the Border Patrol and the Investigations Division, have increasingly been given the same responsibilities, causing overlap and inconsistent program implementation. In addition, the Border Patrol has been diverted from its basic border interdiction mission. While Border Patrol agents have become more involved in investigative activities, Investigations Division agents have spent considerable time in noninvestigative activities.

Employer sanctions enforcement required by IRCA is a key program where INS leadership needs to better delineate responsibilities among enforcement units. Immediately after passage of IRCA, it was not unreasonable for INS to assign these new responsibilities to both Border Patrol and Investigations. However, the sanctions enforcement program has been in place for 3 years, and INS now needs to determine which organization and what skills are required to carry out the program. Similar situations exist in other enforcement programs.

In addition, detention facilities have not kept pace with these changing enforcement priorities. Serious problems exist at several facilities because of inadequate levels of staff and security. Justice and INS officials disagree over whether adequate funds are available to fill all authorized detention positions. Given the critical need for detention staff, it is vitally important that Justice and INS officials get together to determine how to augment detention staff and security. INS officials also noted that streamlining the deportation process will help to reduce some of the demand placed on detention facilities by criminal aliens. However, the growing number of criminal aliens will require INS to continue to detain large numbers of these aliens.

Recommendations

The Commissioner of INS needs to take steps to deal with these enforcement program weaknesses. Specifically, to address the overlap and

duplication in the enforcement program, we recommend that the Commissioner of INS assess the enforcement mission and determine the appropriate units and personnel needed to carry out the various roles. As a general rule, we think the Border Patrol should concentrate its efforts at the borders, and Investigations Division agents should be assigned tasks commensurate with their training and grade level.

To deal with problems in the detention program, we recommend that the Attorney General and the Commissioner work together to determine the level of funds needed to fill all required detention positions and address the security problems at detention facilities. The Commissioner should take steps to immediately address the dangerous situations at the El Centro and Krome detention facilities. INS should initially attempt to resolve these staffing and security shortages within existing resource constraints. In the long term, the Commissioner should develop a detention plan that not only determines the detention space needed, but also specifically outlines the level of security required for the increasing number of criminal aliens detained. The Commissioner should also ensure that staff requirements, both in terms of number and funds needed, become an integral part of detention planning so that new facilities are not only built, they are also adequately staffed.

New Resources Have Not Solved Service Delivery Problems

INS is missing opportunities to improve the quality of service through better resource management. New sources of revenue are available to fund examinations and inspection activities; however, INS has not fully used the funds to improve service. INS officials recognized longstanding problems in examinations and inspections but have not effectively determined where additional resources would most benefit these programs and ensured that resource allocation decisions are implemented.

In 1986 and 1989, Congress passed legislation allowing INS to use, for specified purposes, some of the fees it collects for many types of alien benefit applications and for inspections at airports and seaports. INS is expected to collect over \$240 million in these two fees in fiscal year 1990. Despite these new resources, application processing delays continue to exist at the largest INS districts, and INS inspection overtime costs have remained high. In addition, understaffing at land border crossings has caused long traveler delays.

New Funds Available for Service Programs

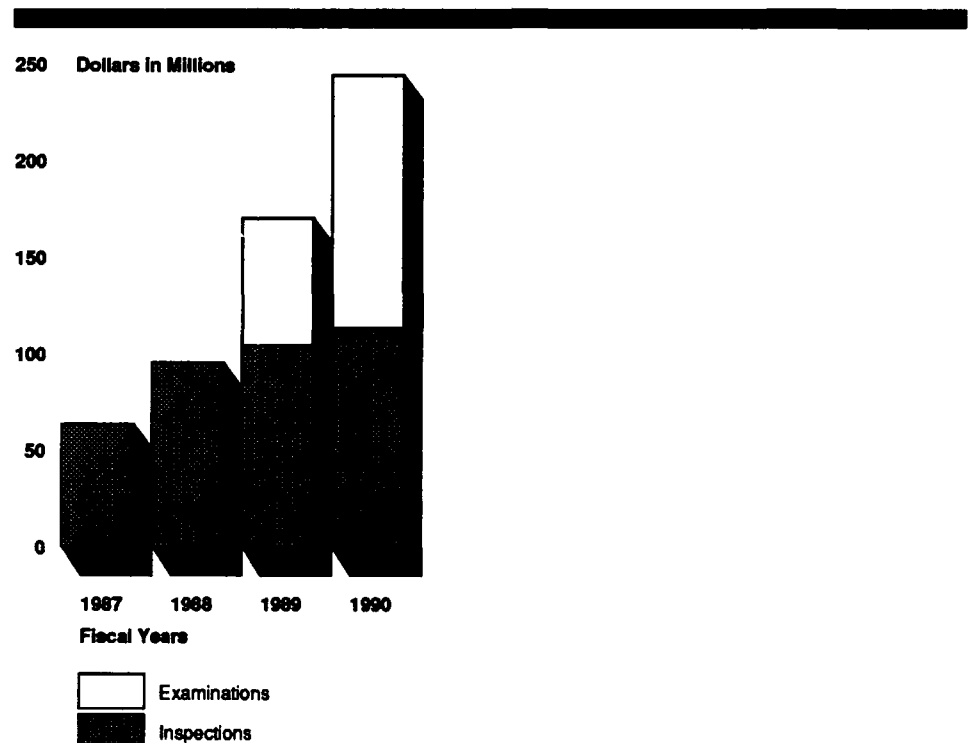
Over the past few years, Congress has authorized INS to use fees it collects to support both the Adjudications and Inspections programs. These fees have permitted INS to significantly increase funding to the programs and have provided opportunities to improve service.

The Immigration Examinations Fee Account, established by the Department of Justice Appropriations Act of 1989 (Public Law 100-459), authorized the Attorney General to use examinations fees to adjudicate applications and petitions for benefits under the Immigration and Nationality Act and to provide necessary support for the Adjudications program. Prior to fiscal year 1989, the Adjudications program was totally funded through congressional appropriations. Fees charged for filing most applications were small and deposited in the general Treasury account. The 1989 act allowed INS to use fees collected in excess of \$50 million for immigration adjudication and naturalization services. With INS directly benefiting from fee receipts, the fee amounts were increased to more closely reflect the cost of processing the applications. Fees range from \$15 for a replacement Alien Registration Receipt Card to \$185 for application for status as a temporary resident. In 1990, Congress extended INS' authority to use the fees by eliminating the requirement that the first \$50 million collected must be deposited in the General Fund of the U.S. Treasury. INS no longer receives appropriated funds for Adjudications.

The Immigration User Fee Account, established by Public Law 99-591 in October 1986, authorized the Attorney General to collect a \$5 fee from international travelers arriving at U.S. airports and seaports. The fees are primarily designated for use by the Inspections program at airports and seaports, but the legislation also allows fees to be used for inspection-related activities, including detention of unauthorized travelers. Land border crossing inspections are still only funded by appropriated funds.

Fees collected under these programs have increased dramatically over the past few years. Fees collected by the Adjudications program increased from \$66 million in fiscal year 1989 to an estimated \$131 million in 1990. Immigration user fees have increased from about \$63 million in fiscal year 1987 to about \$113 million in fiscal year 1990. Figure 4.1 shows the total fees collected from both sources since 1987.

Figure 4.1: Growth of INS User Fees,
Fiscal Years 1987-1990



Note: Data for fiscal years 1987-1989 are actual collections; fiscal year 1990 data is estimated collections. First collections under the Examinations fee were in fiscal year 1989.

Source: INS Comptroller.

Delays in Adjudication Processing Continue

Despite the infusion of new resources and people to process cases faster and only a modest increase in workload, INS continues to experience problems with timeliness of adjudications. Specifically, even though Adjudications program expenditures have nearly doubled between fiscal years 1986 and 1989, agencywide processing times have not improved and processing times in key districts substantially exceeded INS' own criteria. A variety of factors have caused untimely application processing, including unfilled adjudication positions, poor resource allocation, inappropriate use of task forces, and delayed development of automated processing. With an expected rise in the workload, improved resource allocation is needed to ensure that INS will be able to meet future demands for service and correct current deficiencies.

The Adjudications program adjudicates and processes applications for such benefits as adjustment of status (i.e., from temporary to permanent residency); asylum; temporary worker visas; naturalization; and petitions for foreign relatives of U.S. citizens to enter the country. INS officials estimated that applications will increase by a total of about one million over the next 5 to 10 years as persons legalized under IRCA and their families apply for other benefits.

Total expenditures for the Adjudications program have increased dramatically from \$43 million in fiscal year 1986 to over \$82 million in fiscal year 1989. This represents a 90-percent increase in expenditures, while the program's workload in terms of cases received during this same period has only increased modestly—by about 7 percent.

INS officials told us that there are a variety of reasons for the increase in expenditures, including the hiring of more staff for centralized processing centers and large capital expenditures for ADP equipment. They noted that the full productivity benefit of these expenditures had not yet been realized.

Untimely Processing of Applications Continues

INS has had a chronic problem with not processing applications for immigration benefits within established time frames. In the 1950s, reorganization of INS helped to reduce serious processing delays. Changes in immigration law in 1965 increased INS' workload and renewed processing delays.

Legislation in the 1980s also had a significant impact on the Adjudications program. The Refugee Act of 1980 and accompanying regulations dramatically changed INS' responsibilities for implementing the Nation's

asylum policy. Since then, asylum applications have grown from 26,500 to over 95,000 in 1989. Many of these applications are concentrated in INS' busiest district offices, such as Miami and Los Angeles. In 1986, INS was faced with implementing IRCA. Again this law had a dramatic impact on Adjudications since management attention was diverted from the program to assure the smooth implementation of the legalization program. One of our consultants—a former INS official—told us that problems in Adjudications must be viewed in the context of the asylum and legalization programs.

More recently in fiscal year 1989, INS completed more applications than it received. Therefore, it was able to complete some of its applications inventory remaining from the prior fiscal year. Even with this recent improvement, INS is a long way from resolving backlog problems. As table 4.1 shows, asylum processing times are no where near the INS' 4-month standard that INS sets for itself. In fact, adjustment of status and naturalization case processing times have gotten worse since 1986, despite the infusion of additional resources.

Table 4.1: INS-Wide Processing Times for Selected Applications for Fiscal Years 1986-1989 (Data in Months)

	Fiscal years				
	86	87	88	89	90
Adjustment of status	3.0	5.3	3.4	4.5	4.4
Asylum	26.6	21.6	12.7	8.4	17.3
Naturalization	3.7	6.0	6.2	5.3	3.9

Note: Estimates calculated based on cases on hand at the end of the fiscal year divided by average monthly cases processed for the period using data from INS' Performance Analysis System. Fiscal year 1990 estimates based on the first 6 months of that year.

INS does not know the exact number of cases that exceed its 4-month standard, but with average processing times of 4 months or more, it seems reasonable to assume that a large percentage of cases are not being processed within the 4-month time frame.

Longer processing times for asylum cases are attributable to two factors. These cases are generally more difficult than other types of cases that INS adjudicates, and therefore take longer to process. Also, INS depends on the State Department's Bureau of Human Rights and Humanitarian Affairs to render advisory opinions on all cases. An INS official responsible for Asylum said this additional step adds an average of 30 to 45 days to processing times. Furthermore, INS officials indicated that even with this time figured in INS should be able to complete most of its asylum cases within 4 months.

Even if INS processes asylum cases within its 4-month standard, processing times beyond 60 days cause problems for INS. Federal regulations governing asylum and employment authorization provide that asylum applicants can apply for work authorization, and if no decision is made within 60 days of filing, INS is required to grant work authorization to the applicants. INS officials noted that because very few asylum cases are processed within 2 months, nearly all aliens applying for asylum receive work authorizations. Accordingly, they said this gives ineligible aliens an incentive to file frivolous asylum claims in order to get employment authorization. This situation increases the workload in already overburdened offices by increasing asylum and work authorization applications.

The difficult and sensitive nature of asylum cases, in part, led the Attorney General to introduce regulations, effective October 1990, to establish a corps of officers specializing in asylum cases. The corps will remain under INS and be funded through the examinations fee account. INS estimates the corps will cost over \$8 million per year. With these additional resources INS believes it can improve the quality of asylum decisions, but is uncertain what impact the resources will have on processing times.

While agencywide figures show processing times exceeded criteria, processing times in the larger districts are even longer. For example, the fiscal year 1989 estimated processing time for the Chicago district was 8.8 months for naturalization cases, and the Miami processing time for adjustment of status cases was 10.0 months. Table 4.2 shows processing times for five large districts representing about 44 percent of INS' total Adjudications workload.

Table 4.2: Estimated Number of Months to Process Selected Applications in Key Districts (Fiscal Year 1989)

District	Application type		
	Adjustment of status	Asylum	Naturalization
New York	3.1	6.1	2.0
Los Angeles	4.0	9.0	5.3
Miami	10.0	14.5	11.6
San Francisco	4.9	5.8	8.6
Chicago	5.3	31.2	8.8

Note: GAO calculations based on information from INS Performance Analysis System

These estimates may be understated due to a lack of clerical staff to enter data into the various systems for tracking applications. For

example, Los Angeles had about 6,000 more naturalization cases pending than the workload statistics showed because these cases had not been entered in the Naturalization Casework System, which tracks naturalization cases. With this number figured in, it would take Los Angeles 7 months to process naturalization cases, rather than the 5.3 months listed in table 4.2.

INS managers responding to our questionnaire recognized that timely processing of applications was a problem. Fifty-five percent said INS was not effective in adjudicating asylum cases in a timely manner. Over 50 percent said INS was not adjudicating resident status and naturalization cases in a timely manner.

Budget Management and Resource Allocation Problems Perpetuate Backlogs

Even though INS has increased expenditures and added new positions to adjudicate alien applications, many of these positions remain unfilled and backlogs continue. In the absence of new adjudicators, INS has relied on task forces to address District backlogs. While these task forces have produced some short-term results, they have created some quality problems and are an inefficient use of resources.

INS staff for the Adjudications program increased from 1,239 in fiscal year 1986 to 1,571 as of August 1990. Even though new positions have been authorized, many have not been filled. For example as of August 1990, of the 1,814 positions authorized, 243 (13 percent) were unfilled. Some key districts are experiencing an even larger percentage of unfilled adjudicator positions. We noted in our August 1990 report on INS activities in the Miami, Florida, District that 30 percent of the authorized adjudication positions were unfilled.¹

INS officials said the primary problem impeding resource allocation to backlogged districts was the inability to fill positions due to budget management difficulties. Adjudication positions could not be filled in parts of fiscal years 1989 and 1990 because INS leadership instituted an agencywide hiring freeze in an effort to regain control of its budget. This freeze began in June 1989 and lasted until December 1989.

Additionally, the Adjudications program was not fully funded to fill its positions until May 1990. This occurred because Adjudications officials were not aware that Congress had enacted legislation requiring them to

¹Immigration Services: INS Resources and Services in the Miami District (GAO/GGD-90-98, Aug. 1990).

submit a formal request to use an additional \$30 million of examinations fee account money collected—but not budgeted for fiscal year 1990. Because INS did not submit this request until mid-January 1990, and then had to wait for review and approval by the Department of Justice, OMB, and the Congress, INS did not have access to the additional funds until May 1990. Consequently, INS did not begin to fill its additional positions until the third quarter of the fiscal year. Because recruiting and training new adjudicators generally takes about 3 to 6 months at INS, many district office positions remained unfilled as of September 1990.

Not only were positions unfilled but Adjudications staff had not been adequately allocated based on workloads. INS' headquarters Adjudications staff did a resource allocation study in April 1989 to determine the number of personnel each office needed to keep up with its projected applications for benefits. However, this analysis did not consider any of the existing backlogs of applications that remained stacked up in the district offices. For example, we estimate that asylum backlogs in the Los Angeles District office would require an additional 31 people working for one year to reduce asylum processing time to 4 months. The effect of not considering all aspects of district offices' workloads, including backlogged applications, is to perpetuate existing backlogs. Even though Department of Justice budget officials believe resource allocation studies are important to assure staffing adequately matches workload, INS did not conduct a study before making its budget request for fiscal year 1991.

INS has historically used temporary details of staff to assist backlogged districts. However, this has not been effective. Detailing personnel from other areas is expensive, usually a short-term solution, and has led to concerns over the quality of adjudications done by the details. For example in Los Angeles in 1989, a class action suit was filed by asylum applicants alleging that staff detailed to eliminate asylum backlogs were inadequately trained. The U.S. District Court ruled in favor of the applicants and ordered INS to re-adjudicate the asylum cases. As a result, INS had to notify about 31,000 individuals that their asylum cases could be reconsidered.

Task forces used in Miami illustrate that they are a short-term solution to districts' resource problems. From January 1989 to June 1989, INS detailed adjudication staff from all over the country to help eliminate Miami's backlog problems. These staff were successful in reducing INS backlogs for a few months; however, the backlogs returned shortly after

the detailed staff left. As a result, INS had to send another detail of staff to Miami 5 months later to address backlogs.

Task forces are an inefficient use of resources because they create staff shortages in districts from which the task force personnel are drawn. Additionally, they require INS to pay travel and living expenses of the staff while they are away from their duty stations. In fiscal year 1989 INS paid about \$390,000 for these expenses. These funds could have been better used to fully staff positions in the backlogged districts.

**Automation and
Centralization May
Improve Processing Times**

INS' long-term strategy to eliminate backlogs is to automate the application process and to centralize many adjudication activities in the four large service centers. Through automation and centralization, INS expects productivity increases that will allow it to keep up with its workload and eliminate past problems. INS has made some progress in implementing this plan, primarily through centralized processing of several types of applications that do not require aliens to meet in person with INS. This has reduced some of the burden on district offices so they can devote more time to complicated adjudications that require alien interviews. Applications processed in the service centers have nearly doubled from about 587,000 in fiscal year 1987 to over one million estimated in fiscal year 1990.

Despite the progress INS has made, INS management concedes that the full productivity benefits of the service centers have not yet been realized. They are currently one year or more behind schedule in developing software needed to automate many activities and fully implement the service center plan. Adjudications officials noted past difficulties in working with INS' Office of Information Systems (OIS) to get the software developed in a timely manner. Part of this difficulty was related to disagreement about whether old information systems could be enhanced to meet Adjudications' needs or if a new system was needed. OIS spent considerable time modifying existing systems and eventually abandoned its efforts, agreeing that the system would not meet Adjudications' needs. Finally, late in fiscal year 1990, OIS and Adjudications agreed to develop an entirely new system.

Inspection Delays at Land Border Crossings and Excessive Overtime Costs Plague Inspections Program

Another major service program at INS, Inspections, has also received new sources of revenue. The immigration user fee has provided increased funds for airport and seaport inspections but not for land border crossing inspections, which are funded from appropriated funds. The result has been an imbalance in resources applied within the Inspections program. INS has nearly tripled the number of inspectors at airports and seaports, but it has only increased land border crossing inspectors by 12 percent. As a result, critical inspector shortages at land border crossings are contributing to long delays for travelers entering the United States. In addition, inefficient use of inspection overtime is adding unneeded costs to the Inspections program.

Inspections Program Workload and Resources

In fiscal year 1989, INS had about 2,200 inspectors to process about 425 million persons at over 600 ports of entry. INS has two sources of funds for its Inspections program. Land border crossings are funded exclusively by appropriated funds, and airports and seaports are funded by immigration user fees. In fiscal year 1989, INS spent about \$68 million in appropriated funds at land border crossings and \$74.4 million for direct inspection activities at airports and seaports. The overall growth in INS inspections expenditures is shown in table 4.3.

**Table 4.3: Growth of Inspections
Expenditures, Fiscal Years 1986-1989**

Dollars in thousands				
	1986	1987	1988	1989
Appropriations	\$76,076	\$60,317	\$61,638	\$67,987
Fees	na	39,304	62,600	74,399
Total	\$76,076	\$99,621	\$124,238	\$142,386

The enactment of the immigration user fee legislation in 1986 resulted in significantly more resources being made available for airports and seaports. Even though the number of persons inspected at all ports has increased by about one-fourth since 1985, airport and seaport resources almost tripled, while land border crossing resources increased 10 percent. Table 4.4 shows the increase in workload and staffyears for the inspections program from fiscal years 1985 to 1989.

Table 4.4: Inspections Workload and Staffyears, Fiscal Years 1985 and 1989

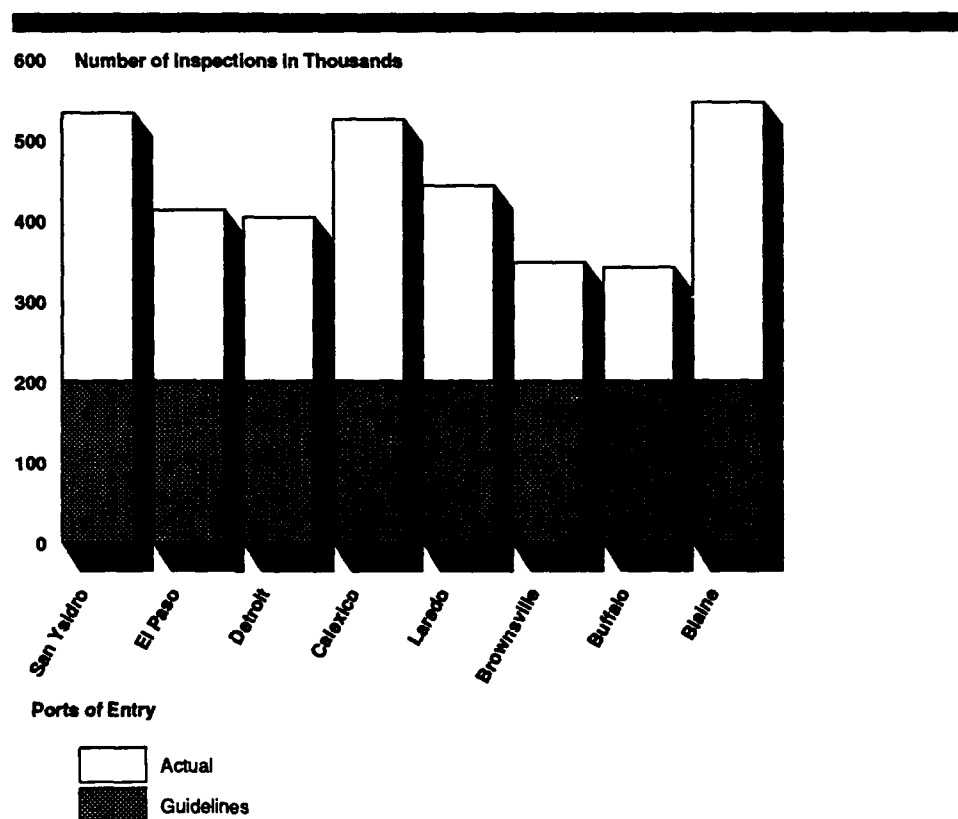
	1985	1989	Percent increase
Persons inspected (millions)			
Airports and seaports	42	52	24
Land border crossings	266	377	42
Total	308	429	39
Staffyears			
Airports and seaports	500	1,411	182
Land border crossings	1,353	1,510	12
Total	1,853	2,921	58

Source: INS Inspections Program and Statistics Group.

Inspection Resources at Land Border Crossings Are Inadequate

INS' eight largest land border crossings are considerably below staffing guidelines, which results in long waits to cross into the United States. INS staffing guidelines call for a ratio of one inspector for every 200,000 annual inspections. At all land border crossings, INS has authorized 1,103 positions to process nearly 377 million passengers for a ratio of one inspector for each 342,000 passengers, considerably above the INS guideline. But the larger land border crossings have even worse ratios. For example, San Ysidro, California, has a staffing ratio of 533,000 inspections per inspector, and Laredo, Texas, has a staffing ratio of 443,000 inspections per inspector. Figure 4.2 shows the actual number of inspections per inspector at the eight largest land border crossings.

Figure 4.2: Actual Number of Inspections Per Inspector Compared With INS Guidelines



Source: INS Inspections Program.

To meet its staffing guidelines, INS would need to increase its inspections staff by 167 percent, or 192 inspectors, at San Ysidro; and 70 percent, or 43 inspectors, at Buffalo.

Understaffed land border crossings have contributed to delays for travelers. The Commissioner noted in November 1989 that "severe delays [are] now experienced by travelers at the large urban area ports along both borders. . . . Presently, waits of several hours are often experienced at many ports." For example:

- In December 1989, headquarters inspection officials said that routine delays of 4 hours were experienced at Arizona border crossings.
- In February 1990, delays of 2 hours or more at the San Ysidro border crossing near San Diego were not uncommon according to press releases.

INS officials agreed that land border crossings are severely understaffed but noted that additional factors should be used to determine the exact number of inspectors needed.

Airport and Seaport Inspections Staffing Meet Guidelines

While land border crossings are severely understaffed, overall staffing for airports and seaports has increased dramatically. The INS guidelines for airport and seaport staffing is one inspector for every 40,000 inspections. INS has authorized 1,471 airport and seaport inspectors of which 320 were headquarters and supervisory personnel. Thus 1,151 line inspectors processed 52 million passengers, for a ratio of one line inspector for each 45,200 annual passengers.

Over the past 4 years, funds from the immigration user fee have allowed INS to significantly increase expenditures for airport and seaport inspections. Expenditures for the airport and seaport Inspections program more than tripled, rising from \$20 million in fiscal year 1985 to \$74 million in fiscal year 1989. For the same time period, passenger volume at airports and seaports increased only 24 percent, from 42 to 52 million. Thus, average inspection expenditures per passenger have risen from \$.48 to \$1.42. Inspection officials said that additional staff and continued excessive overtime expenditures have accounted for these increases.

Part of the imbalance in funding between the land border crossings and airports and seaports could be alleviated when new sources of revenue from additional fees become available. Justice's Fiscal Year 1991 Appropriations Act authorized the Attorney General to (1) pilot test a land border fee to be charged passenger vehicles coming into the United States at selected land border crossings and (2) charge the \$5 immigration user fee to air and sea travelers who are currently exempt from paying the fee—those travelers from Canada, Mexico, and the Caribbean Islands. INS has projected it could generate total annual revenue of about \$216 million if it establishes a \$2 fee per passenger vehicle at all land border crossings and about \$75 million for its inspections activities at the airports and seaports. Although these new sources of revenue will soon be available, INS needs to improve its resources allocation system and controls over fee revenue so that the additional revenue collected can be used effectively.

Inspection Overtime Costs Are Excessive

Inspections program officials said that a key reason for the high average inspections costs is excessive overtime. Even though staff years at airports and seaports has nearly tripled since 1985, excessive overtime costs have continued. Total overtime hours charged to airport and seaport inspections increased from 452,000 hours in fiscal year 1986 to 680,000 in fiscal year 1989. Nearly one-third of all costs for the airport and seaport inspections program are for overtime. Land inspector overtime has also increased since 1986 from 372,000 hours to 510,000 hours in fiscal year 1989.

Laws governing overtime pay for INS inspectors vary depending on when the overtime was worked. An overtime provision enacted on March 2, 1931 authorizes the payment of overtime to inspectors on Sundays and holidays and payment for inspections outside of regular duty hours. Inspectors are also paid overtime under provisions of the Federal Employees' Pay Act of 1945, as amended.

Both INS and Justice have audited overtime practices at ports of entry. The reports identified a number of problems with misuse and control of overtime. A September 1988 Justice audit report concluded that better planning and analysis of the inspections workload would increase the economy and efficiency of the Inspections program. The report noted that INS managers should analyze traffic patterns and schedule inspectors' regular duty hours to provide more efficient inspection services.

INS' 1989 review concluded that scheduling was used to maximize overtime earnings in certain locations rather than using regular hours to cover traffic peaks. At one port, 78 percent of inspections were made by inspectors on overtime. At several ports, no evening shift was scheduled, even though 35 percent of regularly scheduled inspections occurred during this time. At other ports, no morning shift was scheduled, even though between 30 and 50 percent of inspections occurred during this time. Moreover, the report criticized INS managers for failing to account for all overtime earnings in computing each employee's earnings towards the congressionally mandated cap of \$25,000, resulting in some inspectors receiving more than the cap. In addition, managers were not held accountable for the cost effectiveness of overtime.

INS officials said that overtime was difficult to control because many inspectors and supervisors expect to earn from \$10,000 to \$20,000 in overtime a year. They also noted that staff shortages at land border crossings explain some of the increased overtime at land border crossings. At the beginning of fiscal year 1990, INS issued new procedures in

an attempt to control Inspections program overtime, including adjusting inspector work schedules to ensure that more inspections are done during regular work hours and limiting participation of higher graded staff in overtime. Despite these actions, overtime hours continue to be excessive. On the basis of overtime charges for the first six months of fiscal year 1990, we found that air inspection overtime is being incurred at an annual rate of 670,000 hours, down slightly from 680,000 in fiscal year 1989. Similar data for land inspection overtime shows 495,000 hours in fiscal year 1990 compared with 510,000 hours in fiscal year 1989.

INS officials said some progress had been made in reducing overtime, noting that the average overtime pay per inspector had declined from \$23,085 in fiscal year 1987 to \$15,304 in fiscal year 1990. Although this represents some improvement, we note that the main reason for the decline in this statistic appears to be the large increase in the number of inspectors, not a decline in the total amount of overtime.

INS officials also noted that it is beyond their control to reduce overtime as much as they would like because overtime entitlements are set by the 1931 act. We agree a change in the law may be warranted. Since 1931, the environment at airports and seaports has changed. At the time of enactment, the 1931 act increased compensation for the Immigration inspector who was subject to call-outs late at night and in inclement weather to check late arriving ships and airplanes that, because of the technology of the day, often did not arrive on time. However, times and technology have changed and many airports and seaports normally operate 7 days a week, 24 hours a day.

Conclusions

Even though service programs have benefited from considerable increases in revenue, adjudication processing continues to experience delays, and staff shortages at land border crossings and high overtime plague the Inspections program. INS leadership needs to systematically address the strategic issues affecting these programs. Strategic issues facing the Adjudications program include effective resource allocation and the use of technology to improve service. Inspection strategic issues include how to address the severe imbalance between airport and seaport inspections and land border crossing inspections and better control of overtime costs.

Recommendations

To confront the continuing delays in adjudications processing, we recommend the Commissioner develop a long-term plan to improve processing of applications. Such a plan should include an annual assessment of adjudications workload and resources, and it should provide more resources to district offices that have historically not been able to process applications in a timely manner. This plan should also consider the impact of significant changes to the adjudications program, such as the establishment of the asylum corps and the role of the service centers in increasing productivity. INS leadership must take full advantage of opportunities to improve service through better resource management and effective use of new sources of revenues provided by the examinations fee account.

To enhance INS' inspections activities, we recommend the Commissioner develop an inspection workforce plan that better identifies current staffing requirements and charts out actions for future staffing needs. Such a plan should specifically outline steps necessary to address the shortage of staff at land border crossings and the high inefficient use of overtime. In addition to better workforce planning, the Commissioner should take a number of other actions to address high overtime costs. Specifically, scheduling procedures at all ports of entry should be examined to minimize unneeded overtime. Also, the Commissioner should reexamine the 1931 act that authorizes overtime to see whether legislative revisions are needed to make the law more consistent with today's environment and prudent business practices.

INS' Budget Process and Controls Over Revenue and Expenditures Are Deplorable

INS has lacked strong headquarters leadership to address longstanding problems in budget development and financial control. INS' budget development process has been chaotic, and controls over revenue and expenditures have been weak. Annual budget allocations for INS units have not been based on agencywide priorities and workload; rather, they have been a compilation of independent program submissions that have not been adequately coordinated. Consequently, resources for some INS programs and field locations were not where they were most needed. Moreover, INS' top management frequently changed unit budget allocations during fiscal years 1989 and 1990, and such changes have adversely affected INS' ability to carry out its mission.

Because of deficient financial information, INS cannot determine the amount of funds spent by its units. In addition, a potential for fraud and abuse exists because of weak internal controls over fee revenue—about \$300 million in fiscal year 1990. As a result, regions overspent their unit budget allocations, fee revenue has been used to cover appropriated fund shortfalls contrary to congressional expectations, fee revenue has been less than projected, and annual year-end spending cuts have been required to avoid violations of the Anti-Deficiency Act.¹

INS' Financial Management Problems Have Been Longstanding

Such serious financial management problems are not new at INS. They have long affected INS' ability to effectively manage and accurately report the results of its program and administrative operations. Justice's Office of the Inspector General, the Justice Management Division, and GAO have issued several reports on the serious weaknesses in INS' internal controls and accounting systems. In 1986 we reported that information maintained by INS' general ledger system was inaccurate and unreliable, and therefore INS did not use the information prepared by the system to determine the amount of debts companies owed to INS.² More recently, in February 1989, the Justice Management Division reported³ that INS did not maintain adequate control over its financial position for fiscal year 1988 and may be in violation of the Anti-Deficiency Act. The report indicated that INS' financial records, as

¹The Anti-Deficiency Act prohibits officers and employees of the United States from making expenditures or incurring obligations in excess of available appropriations or in advance of receiving appropriations, unless otherwise authorized by law.

²Justice Department: Improved Management Processes Would Enhance Justice's Operations (GAO/ GGD-86-12, Mar. 1986).

³Special Audit of the Immigration and Naturalization Service (Justice Management Division, Department of Justice, February 1989).

of February 1989, showed a \$2.8 million overobligation—more money was spent than was authorized by Congress—in the salaries and expense appropriation. In July 1989, the Justice Inspector General reported⁴ that INS is highly vulnerable to fraud and abuse because of weak internal controls over payment documents. The report pointed out that unauthorized or fraudulent payments could be made and remain undetected if the internal controls were not strengthened.

Chaotic Approach Towards Budget Development

Without strong central leadership, INS' budget process has degenerated into an annual process of competing narrow, parochial program interests. The budgets have been developed without using agencywide priorities or adequately considering program workload. Moreover, after the final budget has been approved by Justice and Congress, INS has frequently made changes to unit budget allocations during the year that have hampered planning and operations. Over 75 percent of INS managers responding to our survey said that budget development needed to be greatly improved.

Budgets Have Not Been Based on Priorities

INS' budgets for the last three fiscal years have not been based on agencywide priorities or goals. Its units have developed their budget submissions with little overall direction and guidance from top management. As a result, these unit budget submissions are frequently uncoordinated and do not adequately reflect program interrelationships. In addition, INS headquarters has not integrated these unit budget submissions into a coordinated agencywide budget.

The budget development process normally begins when INS issues budget planning memos to its regional and assistant commissioners. These memos set forth INS' anticipated budget, including number of funded positions. The memos are to also specify what INS' priorities will be for the given fiscal year. Upon receipt of these memos, the responsible officials are to then prepare their operating plans, which should serve as the basic action plan for accomplishing INS' priorities.

In fiscal years 1988 and 1989, INS established priorities, but it was after its units had developed their budget submissions. For example, Southern Regional officials said that headquarters established priorities in these fiscal years; however, they were received after they prepared their

⁴Audit of the Obligation and Payment Modules of the Financial Accounting and Control System of the Immigration and Naturalization Service (Inspector General, Department of Justice, July 6, 1989).

budget submissions and had no effect on their budget allocations. INS' new Commissioner set no priorities for fiscal year 1990; for fiscal year 1991 priorities were set, but too late to affect the budget allocation process. In chapter 7, we point out that INS does not have an agencywide planning system that clearly outlines its mission and develops integrated management priorities and goals for its programs.

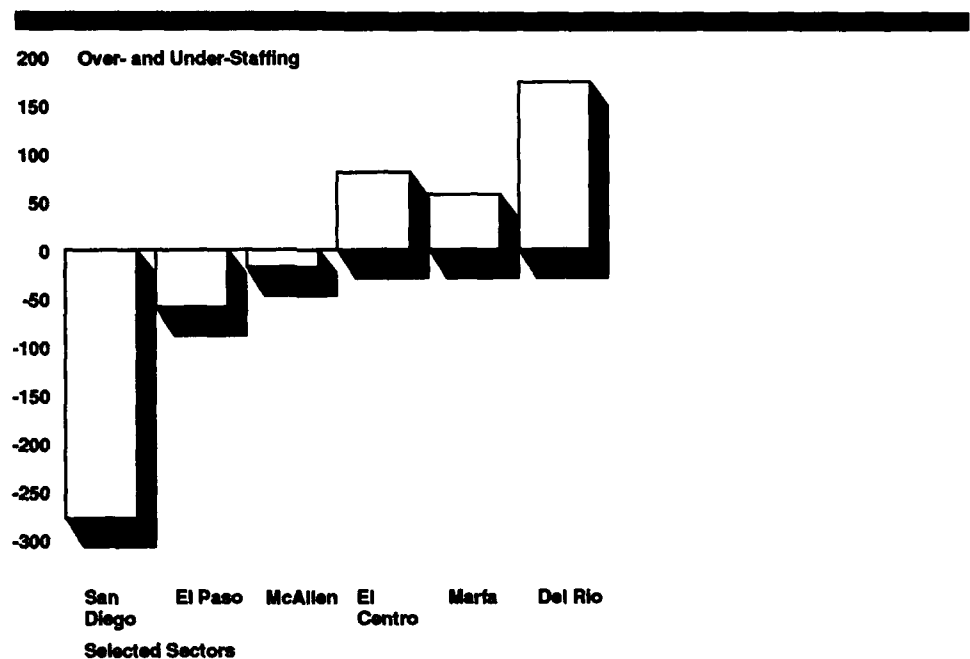
Without headquarters' established priorities upon which to base budget needs, unit budget submissions were not only uncoordinated, but top management had not adequately integrated these unit submissions into a cohesive agencywide budget. The result has been disjointed, segmented budget submissions to the Department of Justice. For example, recent INS budgets have been submitted to Justice that included training requests from several INS programs even though INS submitted a separate agencywide training request. Similarly, automated data processing and vehicle funding have been requested by individual programs, even though agencywide funding has been requested for these items. INS program managers said that such requests within their programs were necessary because INS' support units do not meet their needs. But such independent requests only foster even more segmentation, which dilutes agencywide direction and coordination.

**Budget Process Has Not
Adequately Used
Workload to Allocate Staff**

INS' budget process has not adequately used workload as a factor in making unit budget allocations. Instead, it maintained traditional ratios among regions and programs. INS derived its units' budget allocations by making small increases or decreases in their previous fiscal year's spending levels and did not take into account shifts in workload and the effect these shifts had on unit resource requirements. For example, Border Patrol's staff has not been sufficiently allocated on the basis of workload. Resource allocations were made using a process that essentially maintained the existing staff ratios among the four regions.

In 1989, Border Patrol program managers in headquarters developed a model for allocating staff based on workload. Border Patrol's application of this model indicated acute staff shortages in some areas and overstaffing at other locations. The model, which used weighted workload factors, such as alien apprehensions, drug seizures, and agent hours devoted to border control activities, indicates that the San Diego Sector was understaffed by 278 agents, while the Del Rio, Texas, Sector was overstaffed by 173 agents. Figure 5.1 shows Border Patrol over and understaffing for selected sectors.

Figure 5.1: Border Patrol Staff Levels



Source: INS' Border Patrol Division.

According to Border Patrol officials, the model is now being used to reallocate agents. The approach being used is to not replace agents who resign or retire from overstaffed offices and to assign new agents to understaffed sectors. Border Patrol officials said that they have not set a target date for when agent levels will match workload. Several years could elapse before agent levels match workload, given the magnitude of the differences between actual staffing and the model.

INS has not adequately used workload in allocating other programs' resources. We noted in chapter 4 that Adjudications resources were not adequately allocated on the basis of workload and Inspections resources at land ports-of-entry do not match workload. Also, Assistant Commissioners responsible for the Investigations and Anti-Smuggling programs said that their resources have not been adequately allocated on the basis of workload. These managers noted that in the past regional commissioners had disregarded their resource allocation attempts. Beginning in 1990, the Commissioner took steps to centralize resource allocation decisions. We discuss the impact of regional offices on resource allocations in chapter 6.

Since INS did not adequately consider workload in making budget allocations, its resources were not where they were most needed. In our survey, 65 percent of INS managers said that the present geographic distribution of funding was not appropriate, and 58 percent said that the present geographic distribution of personnel was not appropriate. Overall, only 7 percent of INS managers said that the budget directed resources to where they were most needed.

Frequent Changes to Budget Allocations Have Hampered Planning and Operations

INS unit budget allocations have changed frequently throughout fiscal years 1989 and 1990 because of poor financial information and weak controls. During fiscal year 1989, INS significantly changed its unit budget allocations seven times; as of May 1990, it had changed its fiscal year 1990 unit budget allocations three times. INS regional officials said that operating with so many changes in budget allocations is disruptive and has hampered planning because their actual level of resources is unknown. The uncertainty surrounding changing budget allocations prevents these managers from engaging in meaningful planning and has adversely affected operations.

During fiscal year 1989, INS did not give its regional offices their final budget allocations until August 11, 1989—with only 1-1/2 months left in the fiscal year. INS' Comptroller said that a number of events occurred during fiscal year 1989 that necessitated changing budget allocations. INS' Acting Commissioner developed new budget procedures to give the regions more flexibility in managing their budgets. However, regional commissioners overspent their budget allocations in fiscal year 1989, and funds had to be shifted among programs and regions to cover their overspending. In addition, INS anticipated receiving a supplemental appropriation of about \$54 million, so it instructed its regional managers to hire additional border patrol agents. However, INS eventually received only about half of this amount, which was not enough to cover all the new hires in the border patrol. As a result, INS had to initiate a hiring freeze agencywide until the number of staff on duty reached funded levels. Exacerbating the above problems, a crisis developed in South Texas when an influx of illegal aliens from Central America applied for asylum. INS then had to shift funds to cover the additional costs needed to detain these aliens while it adjudicated their asylum applications.

Again, in fiscal year 1990, INS changed its units' budget allocations several times. The first budget allocations were developed by a special committee convened by the Acting Commissioner. These allocations gave each regional commissioner one lump sum and required that they

develop a spending plan showing how the money would be spent by program. INS' Comptroller said that these spending plans did not reflect the level of funding for programs and activities in the congressional budget.

The Comptroller made two substantial changes in the second set of budget allocations. First, as requested by INS' new Commissioner, he reallocated funds to the regions on the basis of the program and activity funding levels established by Congress. Second, he reduced program allocations for the activities funded by the fee accounts by \$66.5 million because of new legislation governing the availability of funds from these accounts. This new legislation requires INS to submit a formal request to Congress to increase the fee spending levels originally authorized in the congressional budget. As a result of these changes, INS' regions received new allocations in some programs below what they had already spent. For example, the Southern region received a new fiscal year 1990 allocation of \$944,000 for general expenses in the inspections user fee program. It had already spent about \$1.3 million in the first quarter of the fiscal year. INS' third budget allocated the \$66.5 million in additional fees to its units.

According to INS' regional managers, these changes adversely affected their ability to carry out their mission. For example, one district director in the Southern region denied landing rights to several airlines for various flights arriving at times other than normal operating hours because he did not have any funds for overtime or to hire additional staff. At another district, INS had to transfer 24 inspectors from various understaffed land ports to staff two new ports at international terminals scheduled to open in the summer of 1990. At one detention facility, INS lacked funds to hire additional staff and had to reduce the alien population of the much-needed facility from 450 to 343. They did this by not accepting additional detainees until the facility's population reached a level that its staff could support. One region had to restrict its enforcement personnel to their immediate duty stations when it put vehicles out of operation due to lack of funds for maintenance and fuel, thereby severely limiting its enforcement activities. Overall, over 80 percent of managers we surveyed said that financial problems had affected their units' ability to carry out their mission.

Unreliable Financial Information Has Resulted in Inadequate Budget Monitoring

In addition to INS' problems in developing its budget, it has also been unable to accurately determine how much of its budget has been expended because of inaccuracies and inconsistencies in the data reported by its regions. The Anti-Deficiency Act requires agencies to establish a system of funds control that will restrict expenditures to the amount of funds appropriated. OMB Circular A-34 sets forth the requirements for funds control systems. To control funds adequately, there must be an effective verification of available funds before funds are committed through such actions as awarding contracts. Moreover, the amount of funds committed should be accumulated and reported accurately and timely.

INS' system for funds control involves the development of operating plans that specify how INS unit managers are to spend their funds by program and location. Once operating plans are finalized, INS' comptroller sends them to unit managers, who are responsible for spending funds in accordance with the plan. INS headquarters officials are responsible for monitoring budget expenditures against the operating plan using daily status of funds reports generated from INS' primary accounting system. At the end of fiscal year 1988, INS' original projection of its financial picture indicated a surplus of \$5.8 million. However, following the Comptroller's year-end review, he determined that two regions had not reported all of their fiscal year 1988 expenses. After these regions reported their remaining data, INS determined that three of its regions had a total fiscal year 1988 deficit of over \$12 million. In order to balance its fiscal year 1988 budget, INS had to make some adjustments in the second quarter of fiscal year 1989. INS cancelled Detention and Deportation program contracts for 6 buses and Investigations program contracts for 97 sedans valued at \$2.6 million. It also postponed other contracts and procurements valued at \$25 million.

Again, near the end of the third quarter of fiscal year 1989, INS had similar problems. In a June 1989 transcript of discussions between the Acting Commissioner and Regional Commissioners, the Acting Commissioner projected a fiscal year 1989 deficit ranging from \$5 million to \$52 million, and the actual deficit could not be determined because accurate data was not available. The Acting Commissioner appointed a special committee to determine the magnitude and causes of INS' debts. Because the committee could not rely on the financial data in INS' accounting system, it developed a special form to assist all INS units in reporting their financial commitments. The committee then compiled this information to determine and report INS' financial condition to the Acting Commissioner.

A comparison of INS' September 30, 1989, fund balances taken from its accounting system with the fund balances INS reported to Treasury showed that the appropriation account balances in INS' accounting system were overstated by about \$94 million. INS' accounting system showed a balance of \$246 million, while INS information reported to Treasury showed a balance of \$152 million. INS knew neither why these differences existed nor the amount of funds available because it had not done periodic reconciliations as required by Treasury.

INS' financial reports were not only inaccurate but contained information that was inconsistent. The lack of adequate headquarters' direction for entering data into INS' primary accounting system uniformly resulted in the production of inconsistent financial data. This inconsistency was caused by variances in when INS regions reported financial data to headquarters. Specifically, the Eastern Region reported data monthly, and the Southern, Western, and Northern Regions and Headquarters reported data biweekly. Even though most locations reported their financial data biweekly, they did not submit their data to headquarters on the same dates of the month. Regional officials have not adjusted the frequency of their financial data submissions because changes would require adjustments to their local procedures and automated systems. INS headquarters has not issued a directive that specifies the dates of the month financial information should be reported.

Because of deficiencies in INS' primary accounting system and failure to reconcile key financial data, the information reported on its statement of financial position and produced from its system is meaningless. To help address these problems, periodic audits of a complete set of annual financial statements prepared in accordance with the Comptroller General's principles and standards would be an important step toward building and maintaining effective financial control over INS' program and administrative operations. Financial statement audits help to ensure a proper link among accounting transactions, accounting systems, and financial statements. Audited financial statements would help enhance the reliability of INS' financial data by identifying internal control weaknesses and other system deficiencies.

Additional information on INS' widespread financial management problems and additional recommendations to address these concerns are being discussed in a separate report (Financial Management: INS Lacks Accountability and Controls Over its Resources, GAO/AFMD-91-20).

Controls Over Fee Revenue Are Weak

INS budget and financial control problems extend to its fee revenue. Since 1986, INS has supplemented its appropriated funds with increasing fee revenue. In fiscal year 1990, INS collected about \$300 million in fees. However, the lack of standardized procedures; inadequate assurance that fees are collected, remitted, and deposited; and poor estimates of fees to be collected have resulted in inadequate control over, and increased the potential for fraud and abuse of, fee revenue. In addition, examination fees were used to cover shortfalls in appropriated funds, contrary to congressional expectations. The Attorney General also questioned how immigration user fees were spent.

Fee Collection Procedures and Controls Are Weak

INS has weak control over the collection and processing of immigration user fees and examinations fees. It does not have the staff, systems, and procedures to ensure that fees collected from travelers or remitted to INS are accurate, properly accounted for, controlled, and deposited. As a result, an increased potential for fraud and abuse exists.

INS has one person solely responsible for forecasting, controlling, and tracking over \$115 million in immigration user fees. More specifically, this person serves as the technical expert on the user fee, provides briefings and presentations to top management on the user fee, forecasts the amount of fees that carriers should have collected from travelers, receives remittances of fees from carriers, and formulates recommendations on the biennial assessment of the fee level. Moreover, there are no written procedures for controlling, tracking, and forecasting these user fees. With only one person making estimates of fees to be remitted from carriers and receiving these fees, the potential for fraud and abuse of immigration user fee collections is increased.

Since enactment of the immigration user fee legislation, INS has not done any reviews to ensure that fees remitted from carriers are accurate. INS relied on the "good faith effort" of carriers to remit fees collected from travelers. In addition, the immigration user fee calls for a biennial assessment of the adequacy of the fee level. The legislation instructs INS to establish the fee at a level that will ensure that the receipts collected from the fee equal, as closely as possible, the cost of providing inspection services at airports and seaports. In 1988, INS reviewed the fee level and concluded that the \$5 fee level was sufficient. However, INS did not have a cost system, and therefore, it was unable to determine the full cost of airport and seaport inspections. Not only did INS not have cost data to use in its biennial assessment of the adequacy of the fee level, but data used on the amount of user fees spent was inaccurate. Our

review of INS' data on the amount of user fees spent showed, and INS officials agreed, that INS did not maintain accurate records identifying how user fees were spent.

Controls over the collection of the examinations fees are also weak. In fiscal year 1990, INS expects to collect about \$140 million for various types of applications. Approximately 25 percent of the fees have been collected at regional service centers and 75 percent have been collected at field offices. Fees collected at regional service centers were deposited in lock boxes. The lock box system allows the regional service centers to mail payments to a postal rental box serviced by a commercial bank. The bank can then process the deposit and transfer the funds to the Treasury on a daily basis and provide daily deposit reports to the service centers. This is a sound business-like method of depositing fees because it facilitates timely deposit of the fees.

On the other hand, fees collected by some district offices are not sufficiently controlled. INS' cash management procedures require that fees collected be deposited when they reach or exceed \$1,000 but at least once a week. We found that INS' Los Angeles District Office was not adhering to these procedures. Because of inadequate staff, the mail room was unable to process for deposit all application fees that were received each day. Five cash clerk positions were authorized, but only one was staffed. During our March 1990 visit to the district office, the mail room supervisor estimated that about 1,000 applications with about \$50,000 in fees were not processed weekly because of his staff shortage. According to the supervisor, this was not an unusual situation. Since our visit, the district has hired additional clerks and obtained another cash register. As of July 1990, the backlog had been reduced to 500 applications per week.

We also found that the Los Angeles District Office was making large cash deposits by mail, contrary to sound business practices. According to district personnel, deposits averaged about \$63,000 daily—\$42,000 in cash and \$21,000 in checks. Two staff members took the cash and checks to the post office in the building and mailed them to the Federal Reserve Bank in Los Angeles.

A June 1990 INS review indicated that 29 field offices were mailing cash to banks for deposit. As a result, INS established an October 1, 1990, goal of having daily lock box deposit for all fees. To achieve its goal, two things must happen. First, all examinations fee deposits must be sent to the lock box by overnight mail or courier service. Secondly, since lock

box banks will not accept cash for deposit, all cash must be converted to a money order or bank draft prior to deposit. These procedures should help to better control cash receipts.

In July 1990, INS projected a \$45 million shortfall in examinations fees received for fiscal year 1990. As of September 1990, INS' Comptroller had not determined the reasons for this shortfall. A Justice official expressed the opinion that INS' projections for its fee collections were too high because it used inflated workload figures. We believe that the above-mentioned weak controls over these fees could also account for this shortfall.

Controls Over the Use of Fees Are Inadequate

INS used some of its examinations fees to cover shortages in programs that should have been funded out of appropriations, contrary to congressional expectations. For example, a 1989 Justice Status of Resources Report criticized INS for moving \$30 million to the Border Patrol, primarily from Data and Communications, to fund increase personnel costs in the Border Patrol. Justice's analysis showed that INS intended to use its Examinations Fee Account to offset the reduction in Data and Communications.

As a result, in a June 13, 1989, memorandum to the Commissioner of INS, the Attorney General said that:

"... it has become apparent that there are no fiscal controls in place at INS at this time. Furthermore, it appears that as additional receipts are deposited into the Immigration Examinations Fee Account, INS believes that these funds can be used in any manner without reference either to law or guidance from the Department. ... INS has demonstrated its willingness to expend the money to fund other priorities without obtaining appropriate approval.

"At this time almost eight months of the fiscal year have passed; INS must reign in its spending. If strong steps are not taken quickly, it is possible that INS could be deficient at the end of the fiscal year unless it raids the Examinations Fee Account for another \$30 million. ... Furthermore, Congress would probably complain that its intent in both its appropriations bill and authorization of the fees were being ignored."

In July 1989, Congress approved a Justice reprogramming request to transfer \$30 million in Adjudications program appropriated funds to cover immigration enforcement costs associated with a Central American asylee influx in South Texas and increases in Soviet emigres. Under

general principles of appropriations law, this reprogramming was permissible since the Adjudications program and the Enforcement program areas both are funded out of INS' annual lump-sum appropriation. INS had not anticipated its increased need for funding to support its enforcement activities, particularly Border Patrol. After reprogramming funds for that purpose, it sought to replenish its appropriation from the Examinations Fee Account.

The legislation establishing the fee account authorized INS to use fee account deposits in excess of \$50 million to reimburse its appropriation to the extent INS spent appropriated funds for adjudication and naturalization services. Congress' intent in establishing this source of funding was to allow INS to use fees collected for immigration and naturalization services to strengthen those program areas. Rather than enhancing its adjudication and naturalization efforts, INS used funds from its fee account to replenish its appropriation after spending increased appropriated funds on enforcement activities. While the reprogramming and reimbursement were legal, the fee account funds were used in a manner inconsistent with congressional expectations.⁵

Justice has also questioned how immigration user fees are being used. A January 1990 user fee report to the Attorney General's office indicated that:

"After several years of obligations under the user fee reimbursement a pattern has emerged that indicates that significant obligations are accruing in areas that cannot be clearly linked to the requirements of the act. In addition to the fact that poorly justified uses of these funds are contrary to the wishes of Congress, the large expenditures in some support areas are of such a magnitude as to constrain the funds available for the air/sea inspections . . ."

Because INS did not maintain accurate records identifying how fee revenue was spent, we were unable to determine whether fee revenue has been spent for the required purposes.

Conclusions

INS has experienced widespread financial problems because it lacked strong management leadership and direction from headquarters. As a result, INS has developed its budgets without using established agency-wide priorities and allocating resources sufficiently on the basis of workloads. Consequently, INS resources were not where they were most

⁵Justice Department May 22 Reprogramming Proposal Concerning the Immigration and Naturalization Service (GAO/T-OGC-89-01, June 29, 1989).

needed. Even after receiving its congressional budget, INS' top management made frequent changes to unit allocations throughout fiscal years 1989 and 1990 before developing final allocations.

Further, INS has been unable to accurately determine how much of its budget has been spent because of inaccuracies and inconsistencies in the data reported by its regions. As a result, INS had to appoint special committees to determine the magnitude of its deficits and make year-end spending cuts to balance its budget. In addition, management controls over fee revenue were weak, resulting in a significant and unnecessary degree of potential for fraud and abuse of these fees. Also, some fees have been used contrary to congressional expectations. Because INS has been unsuccessful in attempts to address its longstanding financial management problems, we believe that INS' Commissioner would benefit from working with top experts to try to solve these serious financial management problems.

Recommendations

To strengthen INS' budget development process and controls over revenue and expenditures, we recommend that the Attorney General, in consultation with the Director, Office of Management and Budget, establish a group of top experts to work with the Commissioner of INS on how best to design and implement an effective financial management system by the end of fiscal year 1991. These experts should be from both other federal agencies and private organizations. Specifically, the financial management system must comply with applicable accounting principles, standards, and requirements and internal control standards and such policies and requirements as may be prescribed by the Director of the Office of Management and Budget. Further, the financial management system should provide for:

- complete, reliable, consistent, and timely information that is prepared on a uniform basis and is responsive to the financial information needs of agency management;
- the development and reporting of cost information;
- the integration of accounting and budgeting information; and
- controls to ensure that all fees are being collected, deposits of funds are timely and adequately supervised, fee estimates are more accurate, and fees are used for the appropriate purposes.

In concert with the implementation of a financial management system, INS needs to put in place an integrated budget formulation process that

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provides more stability, is based on priorities established in the planning process, and allocates resources on the basis of workload.

INS' Decentralized Organizational Autonomy Has Further Segmented Management

Over the years, INS' organization became increasingly fragmented both programmatically and geographically. Part of this fragmentation can be traced to the inability of INS leadership to control the politically appointed regional commissioners, who have used their authority to thwart headquarters' efforts to allocate resources and manage programs. This regional autonomy has made it more difficult for INS to effectively perform its changing and growing mission. As a result, program overlaps have proliferated, competition for resources among INS programs has intensified, and accountability for field operations has been diffused. In addition to autonomous regional offices, INS' field structure splits enforcement responsibility between districts and sectors, hampering coordination. Almost 60 percent of INS executives and managers said that the organizational structure did not work well.

In early 1990, the INS Commissioner began to take steps to centralize the agency. He centralized control of the budget and personnel functions and developed a reorganization proposal. This proposal, which had not been approved by the Justice Department as of September 1990, addresses some of the autonomy problems. However, as we point out in the next chapter, stronger accountability systems are also needed to better control INS' dispersed activities and managers. In addition, the reorganization proposal does not address the serious geographic and programmatic fragmentation in INS' enforcement program.

INS' Organizational Structure: History and Current Arrangement

The current organizational structure of INS took form in January 1955 when the agency established four regional offices to centralize administrative functions, better control adjudication processing, and handle case appeals. In order to adjudicate alien benefit applications at locations that were closer to the public, 21 additional district offices were established by 1956. Since 1956, INS has made some changes, but the basic structure has remained intact.

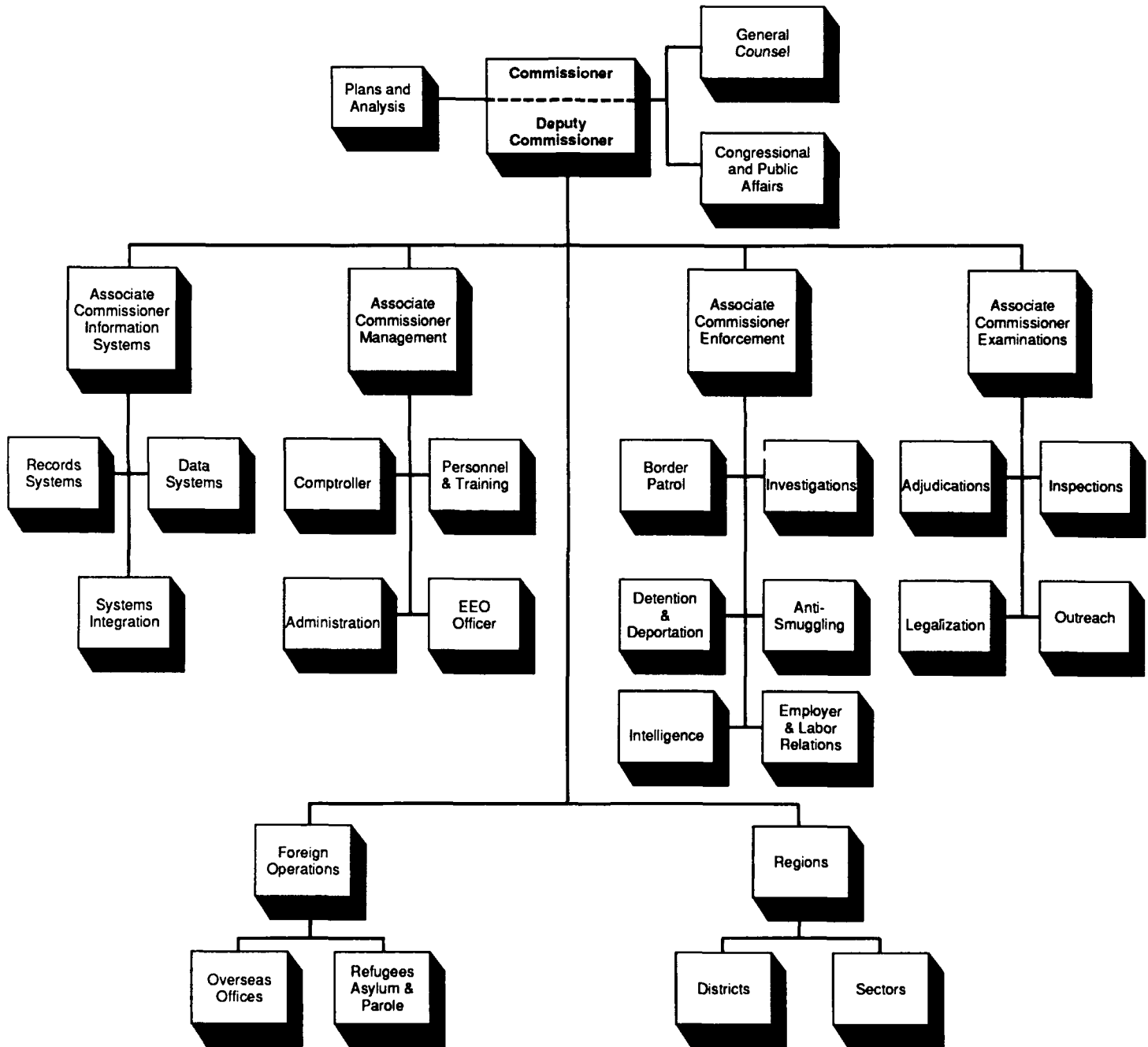
Figure 6.1 depicts the current INS organizational structure. The Regional Commissioners report directly to the Commissioner through his Deputy, who exercises line authority over the district directors and border patrol chiefs. The four Associate Commissioners oversee the four major operational and functional units: Systems, Management, Enforcement, and Examinations. Fourteen Assistant Commissioners, known within the agency as program managers, are responsible for planning, policy formulation, and oversight of major program activities and resources, including Investigations, Detention and Deportation, and Inspections. These program managers are accountable for the management of their

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respective programs but not for the performance of the field units carrying out these programs. Line authority over field unit activities runs through a chain of command extending from the Deputy Commissioner to the regional commissioner to the district director and to the Border Patrol sector chiefs.

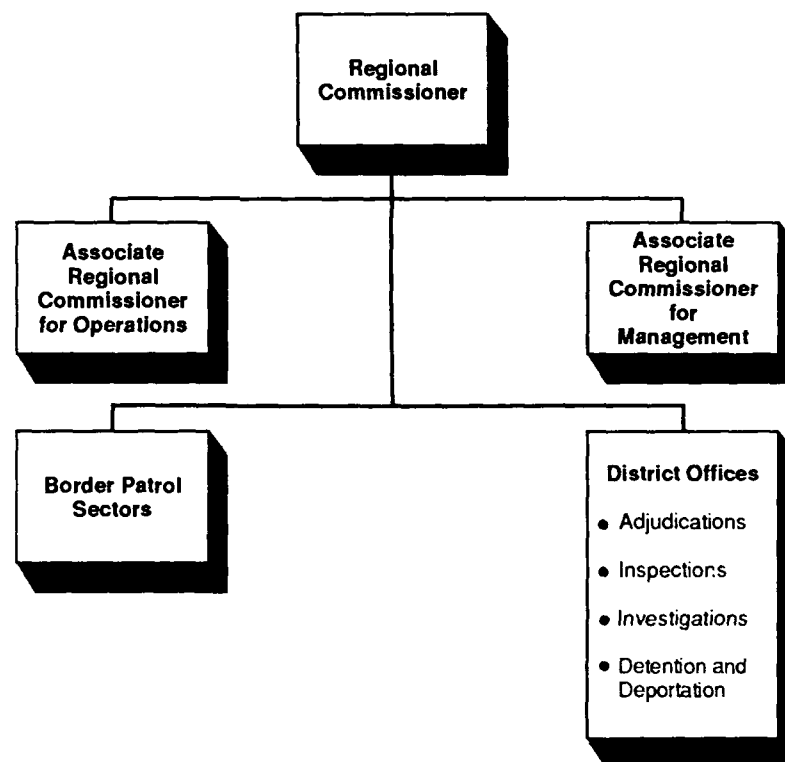
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Figure 6.1: Current INS Organizational Structure



As seen in figure 6.2, the typical regional structure generally mirrors that of headquarters. Each region has two associate regional commissioners: the associate regional commissioner for management is responsible for management functions, such as personnel, budget, and finance; and the associate regional commissioner for operations is responsible for functional programs, such as Investigations and Inspections. The assistant regional commissioners, also known as regional program managers, perform at the regional level the same types of duties, e.g., planning and program oversight, carried out by their counterparts in headquarters.

Figure 6.2: INS Field Organizational Structure



At the district level, programs are managed by assistant district directors who are accountable to their respective district directors. Similarly, at Border Patrol sectors, operations are managed by assistant Border Patrol chiefs who report to the Sector Chief. Unlike program managers at the regional and headquarters level who have no line authority, district directors and assistant border patrol chiefs not only manage the elements of

their respective programs, they also exercise line authority over the staff responsible for carrying out program activities.

Regional Autonomy Has Geographically Segmented INS Management

During the past decade without effective direction and oversight, INS' regions have become increasingly autonomous in terms of policy implementation. Regional priorities began to take precedence over national priorities, further segmenting INS management. This has hampered effective resource allocation and resulted in inconsistent program implementation.

INS Regional Office Concept Has Been Studied

The organizational structure of INS, particularly the need for regional offices, has been studied several times since the early 1970s. Various conclusions concerning the role and need for regional offices emerged from these studies. The following summarizes some of the study findings.

- A 1974 INS study recommended delegating additional authority to the regions and increasing regional involvement in budget planning and evaluation.
- A 1979 Justice report concluded that the regions should be maintained because INS had become too complex, its operations too widely dispersed, and its organizational span of control too broad to be centrally managed.
- A 1981 President's Management Improvement Council final report on INS concluded that there were considerable deficiencies in communication, particularly between INS headquarters and regions and between the regions and the districts/sectors. The report stated that it would be appropriate for INS leadership to consider a substantive reconfiguration of the districts/sectors. It also said that the potential economies from the use of one or a few administrative centers for basic administrative support should be explored as an alternative to the regional structure.
- A 1982 INS report concluded that both the roles and responsibilities for carrying out various aspects of INS' mission and delegations of authority within INS were unclear and overlapping. The report noted that many INS managers thought regional offices could be eliminated with careful planning once automation was successfully implemented throughout the agency.

More recently, in May 1989 an issue paper prepared in the Justice Department for the Attorney General noted that the INS regional structure

"appears to have created autonomous regional offices whose officials often compete with the Commissioner and Deputy Commissioner of INS for control over their operations. Each Regional Commissioner exercises independent control over both immigration policy and management for 'their' part of the country."

Regional Office Autonomy Has Hampered Effective Resource Allocation and Program Consistency

The autonomy of regional offices and the lack of strong central leadership have resulted in ineffective resource allocation and inconsistency within programs. A key reason for this increased autonomy was the appointment of noncareer Regional Commissioners in three of INS' four regions beginning in 1983. According to both current and former senior INS officials, these Regional Commissioners developed their own policy agendas and frequently refused to follow guidance and advice from headquarters. Compounding this situation was the fact that former INS Commissioners refused to directly confront these Regional Commissioners, and as a result, regional autonomy was strengthened and implicitly encouraged.

We noted in chapter 5 that INS' budget has not been effectively used to allocate resources on the basis of program workloads. A key reason for this was the control over resources exerted by Regional Commissioners. Assistant Commissioners for Border Patrol, Investigations, Anti-Smuggling, and Adjudications told us that despite their efforts to allocate resources on the basis of workload, their efforts were often thwarted by INS' Regional Commissioners.

Assistant Commissioners for these programs told us that their lack of control over resources in the field had created problems. For example, the Assistant Commissioner for Border Patrol told us that in fiscal year 1989 the Southern Region, despite being nearly fully staffed, was hiring Border Patrol agents while the Western Region had serious staff shortages. The Assistant Commissioner warned that the funds would be better spent in the Western Region, but the Acting Commissioner did not want to challenge the Southern Regional Commissioner. The Assistant Commissioner for Adjudications cited a similar example when he tried to get the Southern Region to hire personnel for the Miami District. The Assistant Commissioner said that despite severe shortages in the Miami District, the Southern Region wanted to use the resources for other priorities. We reported in August 1990 that the Miami District had received funds from the Southern Region to hire only 70 percent of its authorized

positions, while other districts in the region received funds for 78 percent of their positions.¹

With regional office autonomy, not only are resource allocations ineffective, but programs and administrative functions are inconsistent. For example, a March 1990 study by the RAND Corporation and the Urban Institute on INS implementation of the employer sanctions program noted that decentralized policymaking at the region and district levels was resulting in widely varying implementation of the employer sanctions program. The report noted variations in priorities, processes, targets, and fines. For example, processes varied between a regulatory style of enforcement that emphasized development of cases on the basis of document analysis to a police style of enforcement involving a raid of the business to apprehend and interview undocumented aliens for evidence against their employer.² In March 1990, we also reported variations in the implementation of employer sanctions. For example, we noted that

"an employer in INS' Western Region had paperwork violations for six authorized workers and was assessed a \$2,000 fine, which INS settled for \$1,500. However, we found an employer in the Southern Region who had the same number of violations and was assessed a \$600 fine, which INS settled for \$100."³

Similar situations exist in other programs. A February 1989 Department of Justice report on INS noted differences between regions in the type of evidence needed for legalization decisions. The report stated: "The Western ... [Region] was granting cases when the only evidence in the file was affidavits from friends and relatives, while the Southern... [Region] was not." Overall, in our survey of INS managers only 26 percent thought that INS field units carry out INS policy consistently.

Inconsistency among regions also exists in INS' financial and information management programs. In our report on information resource management at INS, we noted several instances of regional offices developing

¹Immigration Services: INS Resources and Services in the Miami District (GAO/GGD-90-98, Aug. 1990).

²Enforcing Employer Sanctions: Challenges and Strategies, prepared by the Program for Research on Immigration Policy, The RAND Corporation and the Urban Institute, March 1990.

³Immigration Reform: Employer Sanctions and the Question of Discrimination (GAO/GGD-90-62, March 1990).

their own information management systems.⁴ This has led to redundant systems. For example, the Eastern Region developed an alien immigration and smuggling system even though headquarters was developing a similar system. In addition, in chapter 5, we note how variances in reporting financial information data cause problems in the determination of the status of appropriated funds. We noted that the Southern and Western Regions enter data into the Service-wide financial system bi-weekly, the Northern Region weekly, and the Eastern Region monthly.

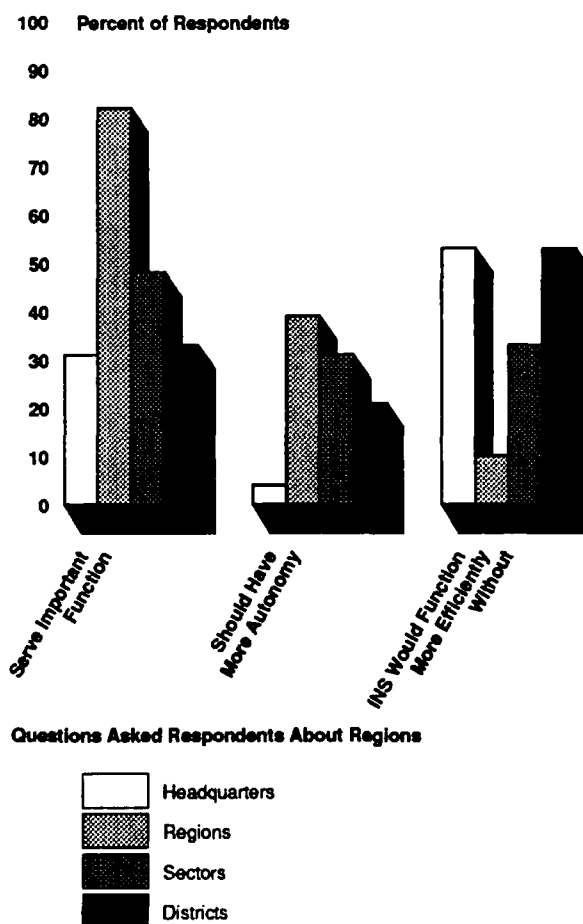
Managers Are Divided Over Whether Regions Should Be Eliminated

In our survey of INS managers we asked several questions regarding their perceptions of the role of regional offices in INS. Service-wide, INS managers were divided over whether regional offices serve an important function and whether INS would function more efficiently without regional offices. Forty-three percent thought INS would function more efficiently without regional offices, 40 percent disagreed. Forty-two percent thought that regional offices serve an important function, 39 percent did not. Almost 60 percent, however, did not think the regional offices should have more autonomy.

As would be expected, managers currently located at regional offices had a much more favorable view of the regions when contrasted with managers in headquarters and districts. Figure 6.3 shows how various types of INS officials responded to questions about the regions.

⁴Information Management: Immigration and Naturalization Service Lacks Ready Access to Essential Data (GAO/IMTEC-90-75, Sept., 1990).

Figure 6.3: Managers' Views on Regional Offices Varied



Source: GAO Survey of INS Managers

Most District Directors and Deputy District Directors thought that INS would function better without regional offices. Fifty-five percent said that INS would function more efficiently without regional offices, while 30 percent disagreed. Fifteen percent were neutral on the statement.

In comments appended to the questionnaire, several District Directors explained their views on regional offices. No District Director commented on the benefits of the regions. However, several District Directors commented that regional offices were not needed. For example, one District Director said "the regional concept is unnecessary and is inclined to obstruct or inhibit smooth and effective operations." Another

District Director noted that "the Regional Office function should be thoroughly examined." The respondent goes on to say that certain administrative functions of the regions are necessary, but "in the area of operations, I can see no need whatsoever for their presence."

Bifurcated Structure Hinders INS Enforcement Function

Another major problem with INS' organization is the dual structure for enforcement functions. Enforcement is carried out by both Border Patrol Sectors and District Offices, each reporting through separate chains of command. This combined with the improper alignment of responsibilities discussed in chapter 3 resulted in a lack of coordination and program inconsistencies.

Since 1924 when the Border Patrol was incorporated into the Bureau of Immigration, federal immigration activities have been carried out through a bifurcated field structure consisting of Border Patrol Sectors and District Offices. From 1924 until the early 1970s, the Border Patrol through its sectors did the bulk of immigration law enforcement work at or near the border. On the other hand, Districts were the centers for immigration case work, including adjudications and naturalization. Since sectors and districts did different immigration control functions, the need for coordination and cooperation between these field units was desirable but not crucial.

The proliferation of organized groups to smuggle aliens into the country and criminal networks dealing in immigration document fraud forced INS to bolster its enforcement operations in the interior of the country. As a result, the investigative staffs of districts were significantly increased, and the districts assumed responsibility for a much larger portion of INS enforcement activities. In addition, to help better focus on this organized smuggling, INS created the Anti-Smuggling Program in 1978. Along with the expanded enforcement mission for the districts and the creation of separate anti-smuggling programs came an increase in program overlap and breakdowns in the coordination among these enforcement groups.

The Border Patrol is organized into 21 sectors, each under the command of a sector chief. The other INS field enforcement functions are done out of the district offices under the authority of the district directors. District controlled enforcement functions include investigations, detention and deportation, and intelligence. In addition, both the sectors and the districts have anti-smuggling units. There are currently 33 domestic INS districts. Districts cover multiple sectors, and sectors cover multiple districts. For example, the Dallas District incorporates parts of the Laredo,

Del Rio, Marfa, and New Orleans Sectors, while the Laredo Sector incorporates parts of the San Antonio, Houston, and Dallas Districts.

Dual Field Structure for Enforcement Hindered Coordination

The overlapping sectors and districts and their separate reporting structures have complicated coordination. Several examples highlight how the activities of Border Patrol sectors and district enforcement operations overlapped, interrelated, and were uncoordinated.

Both Border Patrol and Investigations agents have participated in investigations of drug smuggling activities under the auspices of the multi-agency Organized Crime and Drug Enforcement Task Force Program (OCDETF), although this participation has often not been coordinated. Nine federal agencies, including INS, and numerous state and local law enforcement organizations comprise the task forces, which are designed to coordinate the investigation and prosecution of highly sophisticated and diversified drug-related and money-laundering enterprises.

Border Patrol participation in OCDETF has been a sore point between the Patrol and the Investigations Division. Specifically, INS memos have detailed several examples of Border Patrol agents becoming involved in task force investigations without the knowledge or approval of the local INS OCDETF coordinator (all of these coordinators come from the Investigations Division) and of incidents where Border Patrol agents not on the task forces attempted to arrest aliens who were targets of ongoing OCDETF investigations.

Both districts and sectors are also involved in INS' Anti-Smuggling Program. Most of the larger Border Patrol sectors, such as San Diego and El Paso, have formed anti-smuggling units. Border Patrol agents assigned to these units are classified as investigators and work in plain clothes rather than uniforms. Like investigators assigned to district anti-smuggling units, the Border Patrol anti-smuggling agents do investigations using informants as well as undercover and surveillance techniques in order to identify, and eventually facilitate prosecution of, persons or groups involved in alien-smuggling conspiracies. The Border Patrol currently has 158 anti-smuggling positions, which constitute about 45 percent of INS' anti-smuggling positions. With both districts and sectors involved in the Anti-Smuggling Program, not only is anti-smuggling program integration complicated, but the split also further segments the entire enforcement program.

We identified several instances where coordination among INS' various enforcement units has created problems in specific cases. For example:

- In February 1990, anti-smuggling agents from a Border Patrol office nearly arrested suspects who were the subjects of an Investigations Division surveillance.
- In June 1990, Border Patrol agents were involved in a fraud case that was directly related to an Investigations Division case.

In both of these situations the separate INS enforcement units were not aware of each other's cases.

Border Patrol and enforcement managers indicated in their responses to our questionnaire that coordination and cooperation among INS units needed improvement. Half of Border Patrol managers and 61 percent of enforcement program managers said that cooperation and coordination among INS units needed great improvement.

The separate field and command structures for Border Patrol and district enforcement units have become so ingrained in the culture of INS that it would be difficult for INS management to obtain support within the agency for significant changes to this arrangement. However, the problems of enforcement program overlap and lack of coordination exists among enforcement units. The bifurcated field structure for carrying out INS enforcement operations is only part of the reason for these problems. Chapter 3 discusses other causes of enforcement program fragmentation, including the failure of INS to adequately define the roles and responsibilities of the various enforcement units and their personnel.

INS Taking Steps to Increase Management Centralization

Recognizing the need for better program integration and centralization, the INS Commissioner has taken steps to address these problems. Effective with the second quarter of fiscal year 1990, the Commissioner gave increased budget authority to INS' Assistant Commissioners and the Comptroller. These headquarters program officials were given authority to allocate funding for personnel within their programs. In addition, headquarters Assistant Director approval is now required for the field to fill personnel positions. General expense allocations within the regions are still under regional control.

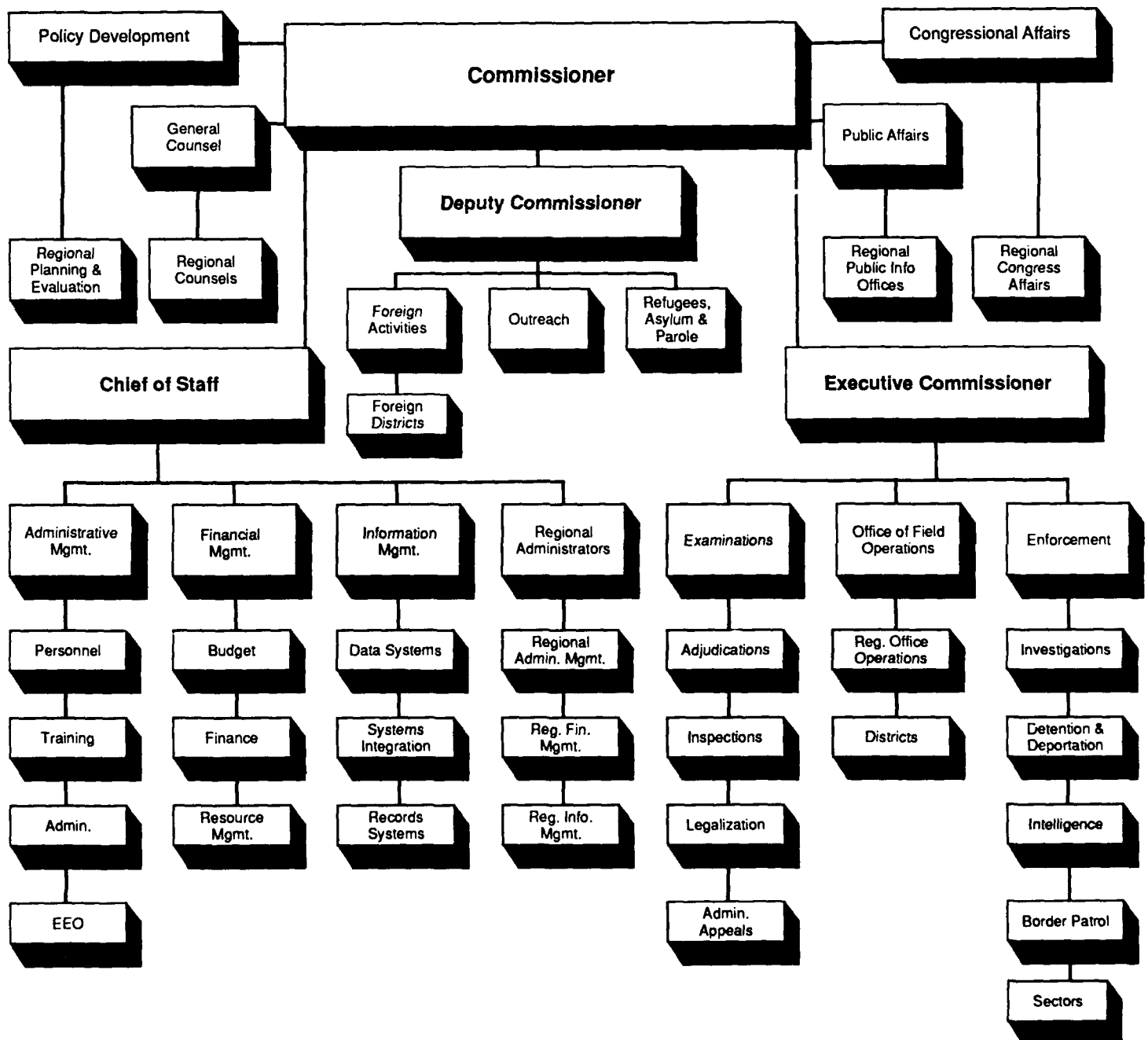
In addition, in June 1990 the Commissioner developed a proposal for restructuring the agency that appears to address some of our concerns,

but it does little to promote an integrated enforcement program. As of September 1990, the proposal had been submitted to the Department of Justice for approval. Before the reorganization is finalized, it must be approved by the Department of Justice.

The proposal includes changes at both the headquarters and regional levels. At headquarters, five new senior executive positions are proposed: a Chief of Staff, an Executive Commissioner, a Director of Policy Development, an Executive Director, Office of Field Operations, and an Associate Commissioner for Financial Management. The Chief of Staff, in addition to being in charge of the Commissioner's immediate staff of five assistants, would oversee the Offices of Administration, Financial Management, and Information Systems. The Executive Commissioner would be put in charge of INS functional programs: Enforcement and Examinations. The Director, Office of Policy Development would coordinate matters of policy and oversee program reviews. The Associate Commissioner for Financial Management position would encompass the functions of the current organization's comptroller. An Executive Director, Office of Field Operations, under the Executive Commissioner, would coordinate regional and district operations. The Commissioner has already appointed officials to serve in an acting capacity in most of these new positions. Other changes at headquarters include the consolidation of the Anti-Smuggling Program under Investigations.

The proposal also includes a significant change in the role of regional offices. The regions would no longer be in the chain of command for enforcement and examinations, but they would retain regional administrative functions. Regional Commissioners would be redesignated as Regional Administrators. Districts would report to the Office of Field Operations, and Sectors would report to the Assistant Commissioner, with Border Patrol under the Associate Commissioner for Enforcement. Figure 6.4 highlights the proposed organizational structure.

Figure 6.4: INS Proposed Organizational Structure



Although the reorganization proposal addresses some of our concerns regarding the autonomy of the regional offices, a number of significant problems remain. Most importantly, other than the consolidation of Anti-Smuggling and Investigations programs, the proposal does not address enforcement coordination and overlap problems, particularly at the field level. In fact, it could exacerbate the segmentation of INS enforcement field units. Under the old structure, regional offices were responsible for both Border Patrol Sector and District Enforcement functions and activities. Under the new proposal, the lines of authority do not meet until the Executive Commissioner level in headquarters.

In addition, developing a new, more centralized organizational structure is only part of the solution to better control of INS' widely dispersed activities. As we point out in the next chapter and outlined in the previous chapter, improved planning and accountability systems, including the development of better financial and management information, are needed in order for program managers, both in the field and headquarters, to adequately direct, oversee, and control their programs.

Conclusions

Historically, INS leadership has allowed the organizational structure to become decentralized without adequate controls. This arrangement further exacerbated INS' segmented management. The regions created geographical separation among INS programs and hampered resource allocation and consistent program implementation. The field structure to carry out INS enforcement activities is bifurcated between districts and Border Patrol Sectors, resulting in uncoordinated, overlapping programs.

The INS Commissioner began to centralize some budget and personnel functions in early 1990 and has proposed a revised organizational structure that, as of September 1990, is awaiting Justice Department approval. Clearly these actions are steps in the right direction to help restore control over INS' regions. However, this proposal does not address all the necessary changes required to ensure more integrated and efficient management of INS. Although the current proposal's reduction of the region's role in program management is desirable, the proposal also needs to address INS' bifurcated field enforcement structure.

Recommendations

Accordingly, we recommend that the Commissioner continue to take steps to increase headquarters' role in program resource and policy decisions. However, before a revised organizational structure is adopted, the

Commissioner needs to develop an improved enforcement strategy, as we recommended in chapter 3. Once specific roles and responsibilities of the various enforcement organizations are determined, the Commissioner should develop an organization to carry out those responsibilities. This organizational structure should facilitate improved coordination and cooperation among the Border Patrol and other INS enforcement activities. To this end, the Commissioner should consider consolidating all field enforcement functions, including Border Patrol and District enforcement organizations, under a revised field structure that would centralize all INS enforcement functions under a single official within a geographic area.

Also, as we point out in the next chapter, the Commissioner needs to strengthen planning and accountability systems so that all managers are working towards the same goals and can be held accountable for organizational performance.

INS Leadership Needs to Promote Integrated Management

Strong leadership is needed to counter the segmented management environment that exists and to address the critical program and administrative problems discussed in the previous chapters. To do this, INS needs a vision about how the agency should operate. Leadership needs to develop a systematic management framework that better integrates INS multiple programs and management. Without a strategic vision, INS is unable to address numerous issues that have surfaced because of its changing mission and programs. Focus on the short-term consequences of actions has too often resulted in serious long-term problems. INS lacks clearly defined goals, priorities, and plans; communications throughout the agency are poor; and systems for ensuring accountability are weak. INS leadership has allowed programs to operate autonomously, competing for resources on the basis of individual program priorities, with limited consideration of the overall impact of decisions on the agency as a whole.

Key Elements of a Systematic Management Framework

The basic elements of a systematic management framework are common to any complex organization, whether it is a private corporation or a government agency. For example:

- (1) Clearly articulated vision and planning. Top management must provide the leadership to determine what exactly the agency is trying to achieve and its primary reason for being. It also needs to establish long-range plans to direct and coordinate the actions of INS' various interrelated policies and functions to achieve priorities and goals. In addition to long-range planning, management must develop specific short-range plans to efficiently direct resources among functions and to assist in making decisions regarding day-to-day operations. INS must define priorities, goals, and plans in concert with other agencies, Congress, and outside interest groups, while also considering the interrelationships among its segments.
- (2) Effective communication. Effective communication is essential to build support for changes from within the organization and from affected outside parties. Agency leadership must clearly communicate its goals, priorities, and plans to managers and staff and must demonstrate commitment to their accomplishment. Also, communication between INS managers responsible for setting policies and those responsible for assuring that they are implemented is essential.
- (3) Accountability structure. Managers must be held accountable for operational and programmatic results. An accountability structure

translates priorities, goals, and plans into clear and measurable performance statements; provides adequate management information about program and individual performance for assessment against performance statements; and permits an allocation of rewards and sanctions to managers based on an assessment of performance.

Past Efforts to Implement Systematic Management Frameworks

INS has implemented several agencywide planning systems in the past decade; however, each of these attempts has met with limited success. In 1980, INS developed a mission plan that contained the essential elements of a systematic management framework. The plan consisted of INS' mission statement, goals, and strategies to attain its goals. The mission plan also addressed the accountability structure. The stated intent of the plan was to "... direct the Service toward increased effectiveness in the accomplishment of the INS mission under conditions of increasing workload and a constant level of resources, primarily through the more effective use of information, personnel and financial resources."

The mission plan represented a good attempt to direct the agency, and it contains many goals and strategies that are still relevant to INS nearly a decade after the plan was developed. The plan was initially supported by INS' top management. An INS official responsible for planning said the mission plan started as a useful document that had some impact on planning and budgeting, but it slowly lost its usefulness. Top management support faded, and managers were not held accountable for achieving goals and objectives. The plan was revised in 1985 and again in 1988, but according to INS officials responsible for updating the plan, the revisions were superficial and had no significant impact on decisions or activities.

While the mission plan was fading into disuse, INS developed other planning systems. From 1983 to 1988, INS used the Priorities Management System (PMS) to develop agency priorities. Under this system, INS annually assembled about 100 agency officials from the field and headquarters to brainstorm about the issues facing INS. From these sessions, INS developed a list of priorities. This system was beneficial in that it strengthened accountability by making managers responsible for meeting program milestones, which were incorporated into their individual performance plans for rating purposes. The system was also beneficial in enhancing communication via quarterly progress reports and discussions between top management and program managers in the field and headquarters. But there were also several drawbacks. The system was paperwork intensive and not closely tied to budgeting. Additionally,

the priorities identified through PMS were not useful in directing the agency's actions, because each program had several priorities and no distinctions were made in terms of their relative importance to INS' overall mission accomplishment. Eventually PMS also lost top management support, and managers were no longer held accountable for achieving program milestones.

INS attempted to enhance PMS by creating Priority Advisory Groups. The groups, comprised of headquarters and field staff, were charged with monitoring and reporting on eight priorities developed for fiscal year 1988 and used again in fiscal year 1989. The system, based on priority advisory groups, was short-lived, lasting less than one year before it was replaced in 1989 by yet another planning system called mission focus. The mission focus system identified five mission areas: border control, investigation of illegal aliens involved in criminal activities, detention and removal of illegal aliens, adjudication of applications for immigration benefits, and employer sanctions/anti-discrimination in hiring. The five mission areas were essentially a list of all INS programs rather than a statement of agency direction. The mission focus did not set priorities among mission areas, did not identify any goals or objectives for INS, and did not provide a basis for planning or resource allocation.

INS Lacks a Vision and Effective Planning

To counter the segmented environment, INS leadership needs to develop a vision of the agency's role in implementing the Nation's immigration policy. However, INS has not developed a long-term view of the agency, established clear priorities, and effectively planned. A former INS Deputy Commissioner wrote "...over a period of years when much change was taking place and the very nature of [INS'] work was changing, leadership and vision were critically lacking." Further, the former Deputy Commissioner noted that the lack of leadership and vision were causes of INS' current management, budget, and control problems.

INS also lacks overall agencywide planning that considers all aspects of INS operations and relates them to its broad mission and the environment in which INS operates. Currently, INS does not have any formal planning system in place that develops integrated management priorities and goals for its many programs. In our survey, 67 percent of INS' managers said that agencywide planning needed great improvement, 48 percent said that INS' overall mission was unclear, and 54 percent said that INS' priorities were unclear.

Commenting on the lack of planning and priorities, the former Acting Commissioner noted in a statement to the Attorney General in the fall of 1989:

"The slow dissipation of mission focus (vision) for the service resulted in program expansion and 'Turf Creep' to the point where INS lost sight of its statutorily mandated mission. (A 360 degree focus results in no focus.) The INS focus was analogous to a river which is a mile wide and an inch deep."

In place of agencywide planning, several units and programs have independently developed operating plans without considering the interrelationships among other INS programs. A 1985 Justice report recommended that senior policy officials consider the interdependency between INS programs when planning and making policy decisions. This recommendation has not been followed.

The detention and deportation division within the enforcement branch has developed a plan covering its program needs over a 6-year period. This plan represented a good effort, but it does not consider deportation functions even though INS' ability to deport aliens has a major impact on its detention workload.

Besides operating plans developed independently by some programs, INS has other planning mechanisms. These have all been imposed on INS by outside organizations, and although some parts of them are positive, they are not effectively integrated with the budget process and have not been effective in directing the agency's activities. These planning mechanisms include OMB's Management by Objective (MBO) system and Information Resource Management (IRM) planning.

The MBO system was reintroduced in the executive branch in April 1989 to identify major policy, program, and management priorities; to select objectives; and to monitor their implementation. According to an INS official, Justice gave INS 12 hours to develop and submit fiscal year 1990 objectives for the MBO process. In order to meet the short time frame, INS submitted goals from its fiscal year 1988 budget. The OMB official responsible for monitoring INS' MBOS said that INS' MBO objectives were not really objectives in the sense of being goals to increase effectiveness. For example, one of INS' milestones to meet its objective of maintaining an effective border interdiction program was to increase Border Patrol apprehensions of deportable aliens to 650,000. This milestone did not represent an increase in effectiveness; in fact, it represented a decrease of about 241,000 apprehensions over fiscal year 1989.

Another INS plan involves IRM. The Paperwork Reduction Act requires INS, like other federal agencies, to prepare an IRM plan. As we noted in our report on information resource management, although INS developed an IRM plan that contains conceptually sound goals, it does not provide needed direction and is not being fully implemented.¹ As a result, agencywide information needs are not being met, systems do not share and exchange information, and field and headquarters staff are independently developing systems that have the same functions.

All of these independent planning mechanisms have not integrated INS activities. A Service-wide planning system is needed. However, current INS officials in the Commissioner's office told us that they did not think the development of a service-wide planning system was desirable. They noted that given the number of special interest groups with different points of view on INS' missions, a clear statement of priorities would require an explanation from the Commissioner as to why a particular program was not the top priority of INS. These officials noted that different congressional constituencies would pose the same problems. They also said that frequently changing circumstances and unforeseen events would make any planning system obsolete before it was implemented.

Although clear priorities and long-term planning may present difficulties, we do not think the above problems outweigh the benefits of a planning system. Priority setting and planning not only provide a framework to consult with INS' various special interests but also give INS managers additional information to respond more deliberately to unforeseen changes. In developing priorities and goals the Commissioner must build support from within the organization and from affected outside parties. Significant changes cannot be achieved solely by executing official authority. Internal and external support is vitally important when the Commissioner wants to successfully alter existing programs and policies, introduce new ones, or change operations that affect program services.

Most significant changes to INS activities require action that directly involves the Department of Justice, the White House, OMB, or Congress and indirectly involves interest groups representing different bodies of public opinion. Even decisions that appear to be within the control of the Commissioner—such as reorganizations and other operational decisions—often require endorsement by these outsiders to be successful

¹ Information Management: Immigration and Naturalization Service Lacks Ready Access to Essential Data (GAO/IMTEC-90-75, Sept. 1990).

because ultimately they affect how services are delivered and programs are carried out.

Building support from within the organization is also very important because of the interrelationships among INS programs, supporting organizations, and geographically dispersed activities. INS actions often require the support and commitment of several headquarters program managers and support operations managers, as well as regional officials and local managers in districts and sectors.

A key part of ensuring an effective strategic management process is proper development of managers. However, INS has given inadequate attention to developing their leaders and managers. A 1989 INS study of management development states that "Since 1980, . . . only a partial commitment on the part of the service has been given to develop the leadership needed to lead the agency into the next century." Further, the report says "there is presently no formal system to develop managers." INS does not require or even formally consider participation in management development training in selecting staff for senior management positions. More than 63 percent of INS' managers believe that development of managers needs great improvement.

While INS does not have a formal system to develop managers, it has instituted one management development course, completed by approximately 200 INS managers. This course, however, was intended to be the first of a three-course management development program. The two other courses, intended to develop managers' planning, budgeting, resource allocations, and leadership skills have never been presented due to budgetary constraints.

Poor Communications Have Negatively Affected Policy Formulation and Implementation

An important component in addressing problems with segmented organizations such as INS is strong communications. However, INS is plagued with generally poor communication throughout the agency. Communication among programs, field offices, and headquarters is limited. Weak communication has not only generated increased agency segmentation, it has also adversely affected INS' ability to develop sound immigration policies and to communicate these policies to field offices responsible for their implementation.

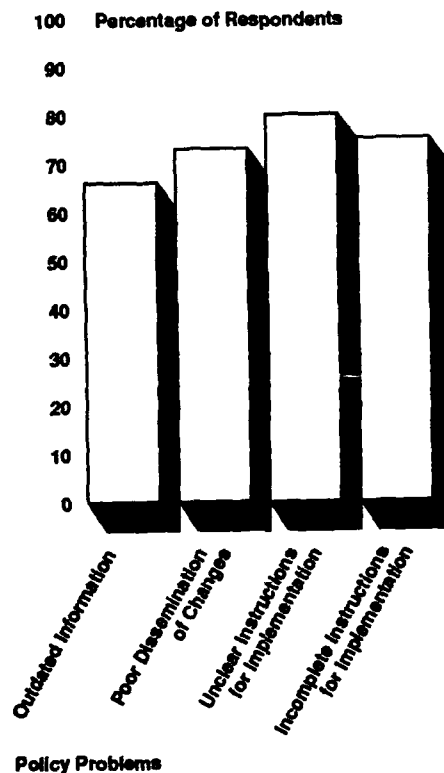
In response to our survey, nearly 60 percent of INS managers said that INS had serious communication problems. Only about 5 percent of the

managers said that poor communication was not a problem at INS. Additionally, 63 percent of INS managers believed that poor communication between the regions and headquarters had a negative effect on morale at INS.

Poor communication has led to weaknesses in INS' formulation of some policies and procedures. Because the majority of INS' mission activities occur in the field, it is particularly important that headquarters policy-makers are in touch with field concerns and events. About 77 percent of INS' managers said that managers in headquarters were out of touch with events, problems, and concerns in the districts and sectors. Also, more than 93 percent of the managers said that headquarters should consult more with the field during policy development.

While communication is important in formulating INS policy, it is also important that policies are communicated in a clear and timely manner to insure uniform implementation. Many managers indicated, as shown in figure 7.1, that policy information is outdated and poorly disseminated and that instructions on carrying out policy are often unclear, ambiguous, and incomplete.

Figure 7.1: Managers' Views on INS Policy



Source: GAO Survey of INS Managers.

Additionally, 52 percent of the managers indicated that policy is not clearly defined; 56 percent indicated that it was not clearly communicated; and 54 percent indicated that it was not carried out consistently by the field.

Two policy initiatives announced in early 1990 demonstrate key problems in planning and communication: the Family Fairness program and the Nicaraguan work authorization policy.

The Family Fairness program was originally developed in 1987 as an informal INS practice to minimize separations of families. Such separations could have occurred when some family members qualified for IRCA legalization and other family members did not. In February 1990, INS expanded the Family Fairness program to include families of Special Agricultural Workers and to formalize previous practices, which were informal and subject to interpretation by the District Directors. The

policy change sought to provide more equitable and humanitarian application of immigration laws. However, the policy was poorly developed and communicated.

Officials in INS regional and district offices learned about the family fairness policy after headquarters had already announced the policy change to the press. Examinations officials had no time to assess the impact on operations or to plan for implementation.

A Deputy District Director in INS' Eastern Region stated that he was surprised by the policy change. He said he learned of the change in the newspaper on the train on his way to work. When he arrived, he was inundated by phone calls from the press and immigration attorneys asking for the details of a policy that had been announced but not yet written by headquarters.

At the time the policy was announced, INS did not have any formal estimates of how many aliens would be taking advantage of the new policy or how this would affect INS workload. INS also had not determined if district or regional offices needed additional staff to implement the policy. Additionally, INS had not made arrangements with a private contractor to provide important processing services needed to operate the program.

A similar situation occurred in early February 1990 when INS headquarters issued a press release announcing a new policy that provided that work authorizations could be immediately granted to all Nicaraguan asylum applicants in the Miami district. The district officials responsible for implementing this policy were not consulted prior to its announcement and were given no advance notice by headquarters, despite the fact that Miami has the largest Nicaraguan population of any city in the United States. Because of this, the already overburdened Miami district office was not able to plan for the rush of Nicaraguans seeking work authorization. Also, headquarters did not give the Miami district officials any written or verbal information on how to implement the new policy.

Weak Accountability

Once priorities and goals have been established and communication improved, units and managers need to be held accountable for performance. But accountability at INS is weak. Managers have overspent budgets, unauthorized procurements have been made, and executives have not been evaluated on the basis of the performance of their units.

Effective accountability has been hampered by inadequate management information and the lack of an effective senior executive performance appraisal process.

The overall lack of accountability has allowed serious problems to occur. For example, the Southern Region overspent its budget in fiscal year 1988 by \$9 million and carried out a number of questionable procurement practices in fiscal year 1989. An April 1990 INS internal report identified "major deficiencies in top management judgment and, in some instances, a total disregard of federal regulations and INS policy and direction." The report stated that in fiscal year 1989, officials in INS' Southern Region violated federal procurement regulations, by making open market purchases instead of using a competitive bidding process. The report also noted that the Southern Region split procurements into several small amounts to avoid the higher level review and approval needed to make larger procurements. Additionally, Southern Region officials entered into a 10-year lease for office space that exceeded workspace limitations by 29 percent, or about 27,000 square feet.

Inadequate Management Information Hampers Accountability

Accountability for individual and program performance is hampered, because information systems generally are not providing top management and field staff the data needed to assess and monitor the agency's diverse and complex activities. Information provided by INS systems is frequently inaccurate, incomplete, untimely, and difficult to use. In response to our survey, over 70 percent of managers and executives said management information is inadequate.

Program cost information is incomplete or unavailable. For example, headquarters detention managers do not have readily available information on the cost of operating detention centers or data on contractor-operated facilities. Because of this, the effectiveness of the detention program cannot be matched with resources devoted to its accomplishment. Also, in response to our survey, only about 30 percent of INS managers said information on budget and financial management was adequate. We discuss inadequate financial information in greater detail in chapter 5.

INS' primary system for agencywide management information to monitor field office activity is the Performance Analysis System. This system does not provide the complete and accurate information managers need to assess program performance. The system generates volumes of hard-copy reports that cannot be effectively used by INS managers without

further manipulation and analysis. Because most of the managers who rely on the system's information do not have the skills needed to access its central database, they must re-enter the data from hard copy computer reports into their personal computers for analysis. This is time consuming and, as a result, is not done on a regular basis.

INS management information is frequently untimely. For example, headquarters officials charged with monitoring the Adjudications program did not receive any information on workload in the field for the first quarter of fiscal year 1990 until well into the second quarter. The absence of workload information made it impossible for Adjudications program officials to systematically monitor field activities during the first quarter of fiscal year 1990. We discuss further INS management information problems in our report entitled Information Management: Immigration and Naturalization Service Lacks Ready Access to Essential Data (GAO/IMTEC-90-75, Sept. 1990).

Senior Executives' Performance Workplans Are Not Used to Establish Accountability

INS is not effectively using senior executives' performance workplans to hold managers accountable. INS' workplans have not been significantly revised for several years despite INS' changing mission and are often prepared late in the rating period.

The Civil Service Reform Act requires agencies to annually establish performance requirements for each senior executive service member. These requirements, referred to by INS as performance workplans, should include a statement of what an executive is responsible for doing and, to the extent feasible, contain measurable standards to permit assessment of how well, how soon, or to what extent the executive is expected to perform. These plans can then be used to hold managers accountable for their performance.

INS has not made any significant revisions to its performance workplans since 1987, despite the dramatic changes that the agency has faced. INS officials responsible for overseeing performance workplans have realized that the performance plans are outdated and do not provide a basis for accountability. Because of this, some INS officials have begun preliminary work to revise the plans to provide more measurable standards of performance.

For the past two years, INS performance workplans have been developed late in the rating period. For the 12-month rating period beginning July 1, 1989, INS did not establish performance workplans until eight

months after the rating period had begun. Again, for the rating period beginning July 1, 1990, INS had not established performance workplans at the beginning of the rating period.

Conclusions

INS' management approach has been too ad hoc over the years. As we have noted in previous management reviews, all too often the focus of agency leadership is only on the short term. Focus on the short-term consequences of actions has too often resulted in serious long-term problems. INS' problems are too longstanding for the agency to continually ignore the fundamental need to develop a strategic vision about how the agency should operate. INS is carrying out its activities without sufficient consideration of the interrelationships among its own programs. INS lacks a systematic management framework that integrates its multiple programs and management; provides clearly defined goals, priorities, and plans; helps to establish good communications throughout the agency; and outlines systems for ensuring accountability. As a result, INS programs operate autonomously, competing for resources based on individual program priorities with limited consideration of the overall impact of the decisions on the agency as a whole.

Recommendations

A series of actions are needed to be able to effectively manage this complex agency. The Attorney General and the Commissioner of INS must articulate a vision of how INS is to operate to effectively carry out its role of implementing the Nation's immigration policy. These leaders must then begin the process of building a consensus for this vision both within INS, as well as with Congress and immigration interest groups. This vision should include (1) establishing a strategic management process that identifies INS priorities and aids planning, (2) improving communications and policy setting, and (3) establishing accountability systems.

Specifically, we recommend that the INS Commissioner, with input from the Department of Justice, Congress, and immigration interest groups, clearly set priorities within the framework of INS' overall mission. Involvement of all these parties is critical, not only because of the additional perspective each brings to the process, but because with their involvement, they will be more committed to the priorities. Once priorities are established, the Commissioner of INS should take several actions to improve INS operational planning, including (1) developing program

and unit operational plans based on agencywide priorities that adequately consider program interrelationships, (2) coordinating and integrating all individual program and administrative function planning, and (3) designing a multi-year staff development program to assure that appropriate people are properly trained and developed to manage INS and carry out its mission.

We also recommend that the INS Commissioner take steps to improve communication, including (1) clearly communicating priorities and goals so that program and unit managers can develop action plans that support and are integrated with overall INS priorities and (2) involving more managers in policy development decisions.

Additionally, we recommend that the Commissioner establish systems to foster accountability. Most critical to this process is the development of accurate, meaningful, and timely management information. Unless management information is reliable, it is difficult to hold managers accountable for the performance of their units. Also, in our report entitled Information Management: Immigration and Naturalization Service Lacks Ready Access to Essential Data (GAO/IMTEC-90-75, Sept. 1990), we make additional recommendations to improve information management including revising the information system long-range plan and improving coordination among field and headquarters information resource offices. In addition, senior executives' performance workplans need to be revised to reflect INS' changing mission and to provide a basis for accountability.

All of these recommendations, along with our recommendations in previous chapters of this report, must be undertaken within the broad strategic context about how the agency should operate. The exact means that the Attorney General and the Commissioner use to develop a strategic context for INS operations should be left to them. However, the Attorney General and the Commissioner must make an explicit commitment to seriously engage in the effort if long-term improvements in INS are to be realized.

Recommendation to Congressional Committees

On November 6, 1990, after reviewing a draft copy of this report, the Attorney General announced the appointment of a group of current and former government executives and other management experts to assist the Commissioner in addressing INS' longstanding problems. This management group is to make recommendations on needed reforms to the Attorney General by February 1991. We believe that this effort is an

important step in the right direction. However, to ensure continued attention to solving INS' problems, we recommend that the Senate and House Committees on the Judiciary hold oversight hearings on the recommendations contained in this report, as well as the recommendations of the management group appointed by the Attorney General.

Consultants

Norman A. Carlson, Senior Lecturer
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American National Can, Chicago Plant
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Profile of Enforcement and Examinations

UNIT	DIVISION	RESPONSIBILITIES	FY 1990 BUDGET (in millions)	FY 1990 FTEs
Enforcement	Border Patrol	Polices 6,000 miles of land borders, administering transportation checks and trying to prevent, detect and apprehend illegal entrants and smugglers of aliens and drugs between ports of entry. Also participates in employer sanctions and drug reduction programs.	\$263	4,492
	Investigations	Enforces immigration laws within the interior of the U.S. including employer compliance, fraud and other criminal investigations. Also responsible for criminal alien programs and IRCA education.	\$104	1,568
	Anti-Smuggling	Conducts pro-active criminal conspiracy investigations that target major, international alien smuggling organizations (and individuals). Also manages INS' Vehicle Seizure and Asset Forfeiture Program.	\$23	364
	Detention and Deportation	Manages and directs the supervision, detention and deportation of illegal aliens.	\$163	1,702
	Intelligence	Provides products for other INS operating divisions and coordinates with other intelligence services (CIA, Interpol, etc.) on the movement of international terrorists and criminals.	\$5	87
	Employer and Labor Relations	Increases the public understanding of employer responsibilities under IRCA and tries to obtain voluntary compliance. Also maintains the Systematic Alien Verification for Entitlements (SAVE) system.	\$4	64
Subtotal Enforcement			\$562	8,277
Examinations	Inspections	Determines the admissibility of all persons seeking entry into the U.S. at land, sea, and air ports-of-entry. Also administers several pre-inspection operations in foreign countries to process air passengers prior to embarking to the U.S.	\$144	2,848
	Adjudications and Naturalization	Processes applications and petitions for immigration benefits, naturalization and other matters related to citizenship.	\$81	1,942
	Legalization (temporary program)	Processes applications under legalization program, the amnesty program for Special Agricultural Workers (SAW), and the program to admit Replenishment Agricultural Workers (RAW).	\$18	469
	Other: Outreach and Administrative Appeals	Informs individuals and organizations about immigration procedures and eligibility standards. Processes appeals from the denial of legalization and some immigration benefits.	Included in Legalization and Adjudication budgets.	
Subtotal Examinations			\$243	5,259
Refugees and Overseas		Conducts U.S. immigration policy abroad and is responsible for refugee program.	\$12	178
Subtotal Support			\$278	3,559
TOTAL			\$1,095	17,273

Source: Immigration and Naturalization Service.

Questionnaire Methodology

In an effort to obtain a broad spectrum of views on INS management, we developed and pretested a questionnaire on such issues as the relationship between the Central Office and the field, organizational effectiveness, budget and financial management, and other important issues. We designed the questionnaire to be completed by all INS managers. For purposes of this survey we defined manager as any employee with a grade of 13 or above or whom INS designated as managers or supervisors on the basis of their position titles. In November 1989 we mailed the questionnaire to the 2,908 managers and supervisors at INS. We received completed questionnaires from all units within INS. We had an overall response rate of 84 percent.

To help obtain managers' candid opinions and insights about INS' management, we promised anonymity to the questionnaire recipients. No identification numbers were used on the questionnaire to ensure privacy. Recipients were asked to return enclosed postcards indicating they had completed the questionnaire. From these postcards we determined who had not responded to our initial mailing and sent a second questionnaire as a follow-up.

Throughout this report, the percentages presented are based on the number responding to each question. If respondents answered "no basis to judge" or entirely skipped a question, they were not included in the percentages. All questions were not designed to be answered by every respondent, so the total number of respondents varies from question to question. Also, on occasion we found one or two incongruous answers, e.g., the respondent indicated no written operating plan existed but answered the following questions on operating plans. Since the respondents were anonymous, we had no way of resolving these inconsistencies, so these answers were excluded.

In order to analyze the written comments provided by many managers, we first reviewed the comments and developed coding classifications. These classifications were then checked by independent coders for consistency. No individuals were identified with their comments.

Comments From the Department of Justice



U.S. Department of Justice

Washington, D.C. 20530

DEC 07 1990

J. William Gadsby
Director, Federal Management Issues
General Government Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Gadsby:

The following information is being provided in response to your request to the Attorney General, dated October 31, 1990, for comments on the General Accounting Office (GAO) draft report entitled, "Immigration Management: Strong Leadership and Management Reforms Needed to Address Serious Problems." The Department, including the Commissioner of the Immigration and Naturalization Service (INS), recognize that management improvements are necessary in the INS. During his relatively short tenure, the Commissioner had made management reform a priority and the Department will be supporting him in this task over the next months.

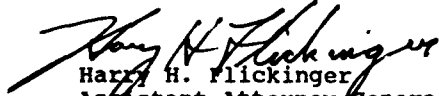
As you may know, the Attorney General has appointed a group of senior executives to assist the Commissioner in identifying and implementing reforms in the operation of INS. In establishing this group, the Attorney General noted that INS needs to be in a stronger position to fulfill its new mandate under the Immigration Act of 1990. Leading the group is Norman Carlson, an acknowledged expert in the field of criminal justice, and former long-term Director of the Federal Bureau of Prisons. He will be assisted by: Anthony Moscato, Deputy Assistant Attorney General for Administration, Department of Justice; Don Wortman, Director of Federal Programs for the National Academy of Public Administration; and other management experts within the Department and other governmental and private organizations. Further, the Attorney General is committed to seeking and providing INS with the resources necessary to ensure speedy progress on the implementation of management reforms.

Mr. J. William Gadsby

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Until this group has reported to the Attorney General, we will not be in a position to comment on the specific findings of the GAO report or commit to implementing any of the specific recommendations of the report. The Department fully expects to have comments on the report for the GAO in the February 1991 time-frame. For this reason, we request that the GAO refrain from publishing a final report until the Department has had an opportunity to respond fully and completely. While we regret our inability to respond more specifically at this time, we will, of course, advise you about our intended reforms at this later date.

Sincerely,


Harry H. Flickinger
Assistant Attorney General
for Administration

Comments From the Immigration and Naturalization Service

Note: GAO's comment supplementing those in the report text appears at the end of this appendix.



U.S. Department of Justice
Immigration and Naturalization Service

Office of the Commissioner

425 Eye Street N.W.
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DEC 10 1997

Richard Fogel
Assistant Comptroller General
Administration of Justice Issues
General Government Division
U.S. General Accounting Office
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Washington, D.C. 20548

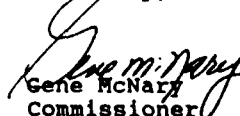
Dear Mr. Fogel:

The purpose of this letter is to provide a response to the General Accounting Office's (GAO) draft report, "Immigration Management: Strong Leadership and Management Reforms Needed to Address Serious Problems." Because of the serious deficiencies identified by the GAO, the Attorney General established a panel headed by Norman Carlson, long-time former Director of the Bureau of Prisons, to review the deficiencies, and design a program strategy to resolve them. This panel is expected to report to the Attorney General in January. Until it has done so, I cannot be precise about the changes which will be undertaken to address the deficiencies identified by the GAO.

In the interim, recognizing your need to finalize the draft report, I have included as an attachment to this letter, a listing of suggested revisions to correct inaccuracies, provide more complete data, and/or update data included in the draft report. However, you may want to delay final publication of the report until the Attorney General's panel has finished its work.

The draft report is being used both within the Immigration and Naturalization Service, and the Department, to develop management and programmatic steps to improve the effectiveness of the Service. I am confident that many improvements will be implemented in the near future.

Sincerely,


Gene McNary
Commissioner

Attachment

See comment 1.

The following is GAO's comment on the Immigration and Naturalization Service's letter dated December 10, 1990.

GAO Comment

1. GAO considered INS' suggestions and changed the report where appropriate but chose not to include the attachment to the Commissioner's letter.

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